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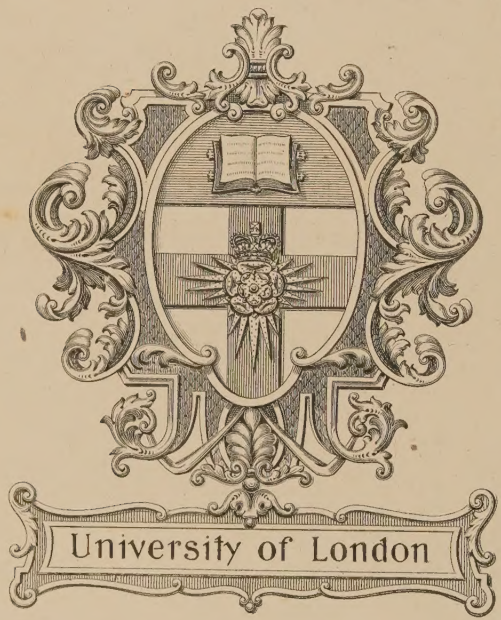
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ACCOUNTS AND PAPERS:

THIRTY-EIGHT VOLUMES.

—(31.)—

MANUFACTURES, COMMERCE, &c.,
EPORTS OF SECRETARIES OF EMBASSY AND LEGATION.

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ACCOUNTS AND PAPERS:

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THIRTY-EIGHT VOLUMES:—CONTENTS OF THE

THIRTY-FIRST VOLUME.

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Portugal.

Report by Mr. Lytton, Her Majesty's Secretary of Legation, on the Portuguese Tariff.

Mr. Lytton to the Earl of Clarendon.

My Lord, *Lisbon, June* 22, 1866.

No complete official Returns of the movement of Portuguese commerce have been published since I have been in this country; none, indeed, since the year 1861, when they furnished the subject of a Commercial Report by one of my predecessors.

In view, however, of the Treaty of Commerce which is now being negotiated between France and Portugal, as also of the desire and intention to which official expression was lately given in the Cortes by M. Cazal Ribeiro (a liberal and enlightened, as well as important, member of the present Cabinet, in which he holds the portfolio for Foreign Affairs) to negotiate with England as soon as possible a similar Treaty upon terms more comprehensive than those to which the present negotiations with France are, I believe, limited, I have thought the existing system of Customs duties in this country (as showing both the principles upon which the Portuguese Tariff has hitherto

been framed, and the extent to which its provisions might be advantageously modified) may, perhaps, be the most interesting subject I can select for my present half-yearly Report.

The brevity with which I propose to treat this subject is recommended to me by all the circumstances which have induced me to select it.

My object is not to indulge in criticism, but to furnish information, not to express opinions of my own, but to provide data from which opinion may be formed by persons competent to form it.

With this object in view, I have endeavoured to present in a single tabulated statement a comprehensive exposition of the operation of all Customs duties in Portugal, as I believe them to be at present levied, both upon import and export. I am constrained, however, to bespeak indulgence for the difficulty I have experienced in doing so.

The Portuguese Tariff is a composite structure, of which the architecture belongs to different periods, and is the work of various designers. It has been so frequently modified by special legislation that it is not easy to ascertain which of the many printed Customs laws are now actually in force, nor how far the operation of one law is counteracted by the co-existence of another.

In framing the subjoined Tables, I have taken as the basis of their contents the Tariff of 1861. But many details of this Tariff have been altered since 1861, and I am not aware of the existence of any document from which it is possible to ascertain at one view the exact number and amount of Customs duties now levied in Portugal.

To obviate confusion, and economise space, I have tabulated the result of a careful comparison of various Customs Acts which have come into operation since 1861, without appending to those items and figures which in these Tables differ from the Tariff of that date, special reference to the later enactments wherefrom such difference is derived. The bye-laws relative to the importation of cereals and tobacco, as well as the instructions issued to Customs officers for the assessment of import duty on mixed tissues, will be found in an Appendix.

All the rates of duty stated in these Tables (in which the classification of 1861 has been followed) I have converted into English values; and whenever, in the translation of the items classified, I have been embarrassed by the

imperfection of my technical knowledge, the Portuguese term is placed side by side with its presumed English equivalent.

There are but a very few observations which I shall venture to make with reference to the objects which the present Portuguese Tariff seems designed to secure. I apprehend that these are the maximum of revenue from indirect taxation, and the maximum of protection to native manufacture.

Even if considered exclusively in its relation to this latter object, it may, I think, be doubted whether the present Tariff is judiciously devised. Thread, for instance (I presume with a view to the protection of native industry), is taxed, not as a raw material, but as a manufacture. But there is at present only one manufactory of thread in Portugal;* and there are many manufactures for which thread is, practically speaking, a raw material.

It appears to me that what is most needed by manufacturing industry in Portugal is not so much legislative protection, as social encouragement. Demand even for native manufactures is paralyzed by the limitations imposed upon foreign supply. Many of those tastes and wants, many of those social habitudes, which create local markets for home manufacture, are more often the result of intercourse with, than of isolation from, the foreigner, and imported from abroad quite as much as the articles, which, in satisfying, shall stimulate them.

At present, Portuguese manufactures do not certainly appear adequate in quality or number to supply the population with those comforts, refinements, and elegancies of life, on the growing taste for which the activity of so many branches of manufacturing industry is dependent. And if the possession of one comfort or luxury stimulates the requirement of another, it may be reasonably doubted whether in this country home markets are not discouraged by the very system which is designed to protect home manufactures.

If a Portuguese gentleman purchases his carriage in Portugal, he purchases an exceedingly bad one; if he purchases it abroad, he can only purchase the permission to use it in Portugal at a price not less than considerably over 50*l.*, the import duty on four-wheeled vehicles. Private fortunes are not large in Portugal; and those who

* See despatch from Mr. Lytton dated the 14th July, p. 42.

have money to spend are induced to spend it out of a country which heavily taxes many manufactures not supplied, or only badly supplied, by native industry.

There is an excellent lace manufacture in Portugal, superior in some respects to those of France and Belgium. It is very much cheaper than these. It is hardly known even in the country itself, and very difficult to obtain; for this lace is manufactured by hand in villages and country districts remote from the capital and isolated by the want of roads from any great centres of population.

I believe that the only defect of this manufacture is in the ugliness of its patterns; but as it has the skill to imitate perfectly though not as yet the taste to design the best patterns, I apprehend that it has everything to gain by increased commercial intercourse between Portugal and other countries.

Linen is also manufactured in Portugal, superior in quality to any now manufactured elsewhere, and equal to what the Irish linen was, but is no longer. It is made, however, in such exceedingly small and narrow pieces that it is on that account much less valuable, because less useful, than it otherwise might be. It is difficult to obtain, and commands only a very insignificant market in the country, owing to the want of roads connecting the towns with the rural districts.

The Portuguese manufacture of paper is perhaps the best in Europe. It is made most conscientiously from the purest materials. I do not think it commands any considerable market abroad. In the country itself it is not easy to obtain the best specimens of it; indeed, a French gentleman, who was instructed to order, for the use of the Government offices at Paris, a large supply of some specimens of Portuguese paper selected by himself from the Exhibition of last year at Oporto, has never yet been able to obtain it either through the dealers or from the manufacturers.

I am not aware of any Portuguese manufactures of importance the interests of which can be said to demand a perpetuation of the highly protective character of the existing Tariff.* In the meanwhile, however, this Tariff is a source of immediate revenue.

I do not know whether to more competent judges than myself this Tariff will appear, as it does to me, to be

* With the exception of paper, as regards the export duty on rags.

capable of improved construction as regards specification and the apparently complicated character of some of its provisions; such, for instance, as that which relates to the assessment of duty upon certain tissues, in proportion to the number of threads composing the warp, as well as the present methods for ascertaining the amount of composite duty chargeable on some kinds of mixed tissues, and made-up or ornamented wares. But I may mention that a gentleman of my acquaintance, who was determined to test the practical effect of some specifications in this Tariff which appeared to him to be unaccompanied by any distinguishable difference of material, took a piece of flannel, cut it into two pieces, and presented the first portion at the Lisbon Custom-house, with the request that it might be inspected and specified. It was inspected and specified as flannel. Some weeks afterwards he presented the second portion of the same piece with the same request. It was pronounced to be "baeta" (which I have translated baize, as the nearest equivalent I can find). The material was in both cases the same; the specification of it in each case different; and as what is called "baeta" pays a higher duty than what is called flannel, it would appear that the same material is liable to pay different duties on different occasions, according to the casual opinion or disposition of the official by whom it is examined.

The great desideratum in Portugal at this moment is the construction of common roads. The State has begun where it should have ended, by the construction of railroads; railroads without common roads to feed them, passing through districts without population, to stations without traffic. Many years, I apprehend, must elapse before railroads in Portugal can be a profitable investment of capital. At present Portugal is practically, if not geographically, an island which can only be reached by sea, and of which the interior, a thinly populated territory of wondrous fertility, can only be reached on horseback.

Increased intercourse with the rest of Europe by means of rail through Spain, and a better postal system, increased inter-communication at home by means of good common roads, will doubtless go far to augment the wealth and develop the resources of a country rich in every beauty of nature and amenity of climate which can attract visitors from abroad.

Much of the scenery of Portugal, decorated with the vegetation of the East and West, and uniting as it does the lavish luxuriance of the Tropics with the hardy healthfulness of the North, is I think unequalled in beauty by any other country. I know of no other region in Europe where in the healthful enjoyment of a climate mild but not debilitating, gentle yet withal robust, the traveller can breathe the breezes and pluck the heather of Scotland upon hills that shelter the palm and the aloe; and I have little doubt that if they could be reached without a long and fatiguing journey, the groves, mountains, and mineral springs of this country would soon become places of European resort. Influx of wealthy visitors, increased luxury and elegance of life, larger expenditure of private fortunes in the country, facilities for transit and transport, native manufactures rendered accessible to home markets, home markets placed in greater intercourse with foreign skill and ingenuity; all these influences, whenever they can be brought into simultaneous activity, will doubtless enrich the revenue of the State by stimulating the industry of the population, and emancipating the resources of the country. A thorough reform of the Customs Act, if accompanied by the construction of good roads in the interior, will doubtless tend to hasten such a result. These objects appear to be desired by the Government, and if the average tenure of office by Portuguese statesmen were longer than it is, much, I think, might be expected from the disposition evinced by some of the present Ministers to attain them. But when it is borne in mind that for many years those who administer the finances of this country have had to meet an annually increasing deficit out of limited resources, a glance at the proportion now borne by the proceeds of indirect taxation to the annual total of revenue will suffice to indicate the difficulty of largely reducing a source of immediate income which cannot, perhaps, be immediately replaced.

The Budget for 1866-67 is thus made up as regards estimated income:—

	Reis.	£
Direct taxes	4,904,393,331	1,089,865
Indirect taxes	9,035,308,995	2,007,846
Sundries	1,959,677,062	435,483
Deductions	40,000,000	8,888
Total	15,989,379,388	3,542,082

If from this total the amount of indirect taxation or Customs duties be deducted (viz., 2,007,846*l.*), the remainder will be only 1,534,236*l.* The receipts from Customs, therefore, at present represent about two-thirds of the whole revenue.

The population of the Kingdom is stated by the census of 1864 at 3,946,854 inhabitants; and, consisting chiefly of small rural proprietors, it offers but a restricted basis for direct taxation.

I should state that since this Report was commenced a Bill has been presented to the Cortes authorizing the Government to restore in whole or in part, upon the exportation of those manufactures for the composition of which they are employed, the import duty levied upon raw materials imported for manufacturing purposes. This Bill did not pass the Chamber of Peers.

I have, &c.

(Signed) RT. LYTTON.

PORTUGUESE TARIFF.

IMPORT DUTIES.

Animal Substances and Articles manufactured therefrom.

1st Class.—*Live Animals.*

*** The Portuguese kilogramme is equivalent to 2·68027 lbs. Troy, or 2·20548 lbs. avoirdupois.

No.	Articles specified.	Unities on which the Duties are levied.	Duties in reis.	Duties in Sterling. £	s.	d.
1	Cattle—					
	Horned cattle	Per head	3,840	..		
	Sheep, and all lanigerous animals	..	Free	..		
	Goats	..	,,	..		
	Pigs	Per head	1 10	0	0	$5\frac{1}{19}$
	Horses	,,	2 300	0	9	$2\frac{3}{4}$
	Mules	,,	1 100	0	4	$10\frac{3}{4}$
	Asses	,,	0 570	0	2	$5\frac{3}{4}$
2	Leeches	Per 1,000	0 100	0	0	$5\frac{1}{3}$
3	Live animals not above specified	Free	..	..		

2nd Class.—*Meats, Skins, Hides, and Animal Products of all kinds.*

4	Meats, fresh, dried, or in anywise prepared	Kilogramme	0 75	0	0	4
5	Hides or skins—					
	Raw or prepared, of animals mentioned in Article 1, fresh	,,	0 5	0	0	$0\frac{1}{4}$
	,, ,, ,, dried	,,	0 7·5	0	0	0·400
	,, for the manufacture of hats	..	Free	..		
	,, not specified	*Ad valorem*	20 per cent.	20 per cent.		

	Tanned by bark, Brazilian so called	Kilogramme	0 10	0 0 $0\frac{10}{19}$
	„ „ for soles of boots or shoes	„	0 35	0 0 $1\frac{16}{19}$
	„ „ thin and split	„	0 50	0 0 $2\frac{3}{4}$
	„ „ not specified	„	0 200	0 0 $10\frac{2}{3}$
	Tanned by other processes, fine skins, without distinction of colour or workmanship	„	0 750	0 3 4
	„ „ „ parchment, raw, or in leaf	..	Free	..
	„ „ „ not specified	Kilogramme	0 200	0 0 $10\frac{2}{3}$
	Tanned, coloured, morocco, moroccoed, and varnished	„	0 350	0 1 $6\frac{1}{2}$
	Worked, simply cut, fine skins	„	1 500	0 6 8
	„ „ not specified	„	0 600	0 2 8
	„ articles of ornamental wear for men and women, with all thereto appertaining	„	6 0	1 6 8
	„ gloves, finished or not	Per pair	0 100	0 0 $5\frac{1}{3}$
	„ garters, braces, inclusive of the wirework and trimmings thereof ..	Kilogramme	2 500	0 11 $1\frac{1}{4}$
	„ wine-skins, large or small, leathern bottles, and such like articles ..	Per piece	0 200	0 0 $10\frac{2}{3}$
	„ not specified, inclusive of wirework and ornaments thereof, &c. ..	Kilogramme	1 0	0 4 $5\frac{1}{4}$
	Leavings, clippings, scraps, &c.	..	Free	..
6	Hair—			
	Raw	..	„	..
	Prepared	Kilogramme	0 200	0 0 $10\frac{2}{3}$
	Worked	„	5 0	1 2 2
7	Horse-hair—			
	Raw or prepared	„	0 20	0 0 $1\frac{1}{19}$
	Worked, mattresses and their appurtenances	„	0 100	0 0 $5\frac{1}{3}$
	„ not specified	„	0 200	0 0 $10\frac{2}{3}$
8	Boar's hair (or skin), raw or prepared	„	0 20	0 0 $1\frac{1}{19}$
9	Feathers—			
	Raw	..	Free	..
	Prepared for writing purposes	Kilogramme	0 50	0 0 $2\frac{3}{4}$
	Worked, for ornamental ware	„	2 500	0 11 $1\frac{1}{4}$
	„ not specified	„	0 50	0 0 $2\frac{3}{4}$
10	Hard material—			
	Teeth, rhinoceros and elephant, raw	„	0 200	0 0 $10\frac{2}{3}$
	„ „ „ worked	„	5 0	1 2 2
	„ not specified	..	Free	..

No.	Articles specified.	Unities upon which the Duties are levied.	Duties in reis.	Duties in Sterling. £ s. d.
10	Hard material *(continued)*—			
	Bones, raw, pulverised, or calcined	..	Free	..
	„ worked	Kilogramme	3$\mathcal{S}$ 0	0 13 4
	Horn, raw, peeled, or in chips	..	Free	..
	„ worked, antelope, rhinoceros, and stag	Kilogramme	0 75	0 0 4
	„ „ not specified	„	3 0	0 13 4
	Nails and claws, raw	..	Free	..
	„ worked, buttons	Kilogramme	0 750	0 3 4
	„ not specified	„	1 500	0 6 8
11	Nerves	..	Free	..
12	Intestines—			
	Salt or dried	Kilogramme	0 7·5	0 0 0·400
	In cords (strings for instruments, gut)	„	0 500	0 2 $2\frac{1}{2}$
	In leaf	..	Free	..
13	Blood, dry	..	„	..
14	Grease—			
	Tallow, raw, melted, or in residue	..	„	..
	„ in candles, common	Kilogramme	0 30	0 0 $1\frac{11}{19}$
	„ „ stearine	„	0 50	0 0 $2\frac{3}{4}$
	Not specified	„	0 50	0 0 $2\frac{3}{4}$
15	Wax—			
	Raw, purified, &c., residue, yellow	„	0 10	0 0 $0\frac{10}{19}$
	„ „ white	„	0 30	0 0 $1\frac{11}{19}$
	Worked	„	0 50	0 0 $2\frac{3}{4}$
16	Lacteal substances—			
	Milk	*Ad valorem*	5 per cent.	5 per cent.
	Butter	Kilogramme	0 138	0 0 $7\frac{1}{3}$
	Cheese, fine	„	0 150	0 0 8
	„ common	„	0 75	0 0 4
17	Honey	„	0 5	0 0 $0\frac{1}{4}$
18	Eggs, and albumen, dry	..	Free	..

19	Medicinal substances—			
	Musk	Kilogramme	15 0	3 6 7
	Parings of stags' horns	..	Free	..
	Not specified	*Ad valorem*	5 per cent.	5 per cent.
20	Substances for perfumery	„	20 per cent.	20 per cent.
21	Colouring matter—			
	Cochineal	Kilogramme	0 25	0 0 $1\frac{1}{3}$
	Not specified	*Ad valorem*	20 per cent.	20 per cent.
22	Manures for agricultural purposes	..	Free	..
23	Animal products and animal matter, &c., not specified above	*Ad valorem*	5 per cent.	5 per cent.

3RD CLASS.—*Fisheries, &c.*

24	Fish—			
	Fresh, dried, or salted, &c., of fresh water	Kilogramme	0 35	0 0 $1\frac{16}{19}$
	„ „ of salt water, sardines	„	0 4·5	..
	„ „ „ not specified	„	0 33·5	..
	In pickle	„	0 70	0 0 $3\frac{13}{19}$
25	Shell-fish	„	0 2·5	0 0 0·133
26	Coral—			
	Rough or in fragments		Free	..
	Cut and not polished	..	„	..
	Polished and not worked	Kilogramme	0 200	0 0 $10\frac{2}{3}$
27	Sponges	„	0 100	0 0 $5\frac{1}{3}$
28	Pearls	*Ad valorem*	1 per cent.	1 per cent.
29	Shells	..	Free	..
30	Mother-of-pearl—			
	Rought or cut (sawn)	..	„	..
	Worked, buttons	Kilogramme	0 500	0 2 $2\frac{1}{2}$
	„ not specified	„	0 750	0 3 4
31	Tortoise—			
	Tortoise-shell, rough	„	0 200	0 0 $10\frac{2}{3}$
	„ in pieces	..	Free	..
	„ worked	Kilogramme	5 0	1 2 2
	Claws	..	Free	..

No.	Articles specified.	Unities upon which the Duties are levied.	Duties in reis.	Duties in Sterling. £ s. d.
32	Whalebone—			
	Rough	Kilogramme	0 5	0 0 $0\frac{1}{5}$
	Cut and prepared	„	0 400	0 1 $9\frac{1}{4}$
	Worked	„	0 600	0 2 8
33	Oil—			
	Cod's liver and such like	„	0 10	0 0 $0\frac{10}{19}$
	Not specified	„	0 5	0 0 $0\frac{1}{4}$
34	Fish grease	„	0 7·5	0 0 0·400
35	Spermaceti—			
	Raw	..	..	..
	Purified	..	..	..
	Manufactured (worked)	..	..	..
36	Rough produce of fisheries, not classified	*Ad valorem*	5 per cent.	5 per cent.
	4TH CLASS.—*Wools, &c.*			
37	Wool—			
	In the rough, washed or for washing	Kilogramme	0 0·5	0 0 0·005
	„ dyed	„	0 500	0 2 $2\frac{1}{2}$
	Spun, for embroidery, white	„	1 500	0 6 8
	„ „ dyed	„	2 500	0 11 $1\frac{1}{4}$
	„ not specified, white	„	6 75	0 3 0
	„ „ dyed	„	1 100	0 4 $10\frac{3}{4}$
38	Fleeces, in the rough	„	Free	..
39	Tissues—			
	Woollen, open and transparent, tulles and laces of one or more colours	„	1 0	0 4 $5\frac{1}{4}$
	„ „ „ Merino, of one or more colours	„	2 500	0 11 $1\frac{1}{4}$
	„ „ „ not specified	„	1 500	0 6 8
	„ cloth stuffs, short fibre, baize, coloured or one colour	„	0 450	0 2 0
	„ „ „ baize, printed	„	0 400	0 1 $9\frac{1}{4}$
	„ „ „ linsey, white	„	0 750	0 3 4
	„ „ „ linsey, coloured	„	0 450	0 2 0
	„ „ „ not specified	„	0 450	0 2 0

	Woollen, cloth stuffs, long fibre	„	0 750	0 3 4
	„ „ velveted	„	0 750	0 3 4
	„ „ damasked	„	1 0	0 4 5¾
	„ „ close shorn, smooth and shining	„	0 450	0 2 0
	„ „ „ not specified	„	1 0	0 4 5¼
	„ „ not specified	„	1 500	0 6 8
	„ knitted, tricot, and hosiery of one or more colours	„	1 380	0 6 1½
	„ ribbons of one or more colours	„	1 600	0 7 1¼
	„ shawls and handkerchiefs, &c., kerseymere of one colour or with printed border	„	1 630	0 7 2¾
	„ „ „ „ merino of one or more colours	„	3 770	0 16 9
	„ „ „ „ not specified, of one or more colours	„	3 260	0 14 5¾
	„ carpets of one or more colours	„	0 350	0 1 6½
	„ mixed. (See Articles 24 and 26 of "Preliminary Instructions," translated in Appendix.)			
	Of cashmere and other stuffs, shawls and handkerchiefs	„	2 500	0 11 1½
	„ „ blankets	„	0 750	0 3 4
	„ „ not specified	„	2 500	0 11 1½
40	List	„	0 10	0 0 0 10/19
41	Felt—			
	Plain	„	0 400	0 1 9¼
	Varnished	„	0 250	0 1 1¼
	Tarred and prepared for hat-making	„	0 5	0 0 0¼
42	Articles made up of wool and hair—			
	Wallets, or sacks and bags ("alforges"), and coverings	„	0 250	0 1 1¼
	Kerseymere gloves	„	3 0	0 13 4
	Garters and bands of one or more colours	„	1 600	0 7 1¼
	Hosiery and knitting, &c., wool	„	1 630	0 7 2 16/19
	„ „ hair	„	1 600	0 7 1¼
	Braid and trimming, galloons	..	..	..
	„ „ not specified, wool	..	..	..
	„ „ „ hair	..	..	..
	(Other articles not specified are chargeable with double the duty levied upon the tissue of which they are composed.)			

No.	Articles specified.	Duties upon which the Duties are levied.	Duties in reis.	Duties in Sterling. £	s.	d.
43	Silk—					
	In cocoon		Free			
	In the rough, thread, or yarn, raw	Kilogramme	0$875	0	0	4
	„ „ dyed	„	1 0	0	4	$5\frac{1}{4}$
	In twist	,	2 500	0	11	$1\frac{1}{2}$
	Waste and leavings (" desperdicios")		Free			
44	Tissues—Lace or thread	Kilogramme	5 0	1	2	2
	„ Plush	„	5 0	1	2	2
	„ Velvets	„	7 500	1	13	$3\frac{1}{2}$
	„ Ribbons	„	6 300	1	8	0
	„ Gauzes for sieves, &c.		Free			
	„ Shawls, lace and thread	Kilogramme	5 0	1	2	2
	„ „ not specified	„	6 200	1	7	$6\frac{2}{3}$
	„ Handkerchiefs, pocket-handkerchiefs	„	2 0	0	8	$10\frac{3}{4}$
	„ „ not specified	„	5 0	1	2	2
	„ Not classified, plain	„	6 300	1	8	0
	„ „ wrought	„	7 500	1	13	$3\frac{1}{2}$
	„ Mixed. (See Articles 24 and 26 in Appendix.)					
45	Hand-worked—Girdles, &c.	„	6 300	1	8	0
	„ Knitting, hosiery, &c.	„	6 300	1	8	0
	„ Braid and close lace, trimming, &c., galloons	„	6 300	1	8	0
	„ „ „ „ not specified	„	5 0	1	2	2
	(Articles not specified pay three times the amount of the duty levied on the tissue of which they are made.)					

VEGETABLE SUBSTANCES AND MANUFACTURES.

6TH CLASS—*Cotton.*

46	Cotton—In pod, with the seeds in	Kilogramme	Free			
	„ In wool	„	0 0·5	0	0	0·005
	„ In wadding	„	0 200	0	0	$10\frac{2}{3}$

	Spun, plain, raw														
	„ white														
	„ dyed														
	Spun twist														
47	Tissues—														
	Open and transparent lace														
	„ „ common thread														
	„ „ marline and canvass														
	„ „ bareges														
	„ „ cambrics and muslins, raw and unprepared in any way ..														
	„ „ „ „ not specified														
	„ „ not specified, plain														
	„ „ „ worked														
	Cloth, smooth, coarse canvass and sail-cloth														
	„ „ Hollands														
	„ „ calicoes, bleached														
	„ „ „ printed or dyed														
	„ „ not specified, undressed, up to 11 threads to the warp in 5 millimetres														
	„ „ „ „ from 12 threads and upwards, ditto ..														
	„ „ „ bleached, up to 11 threads to the warp in 5 millimetres														
	„ „ „ „ from 12 threads and upwards, ditto ..														
	„ „ „ printed or dyed														
	Cloth, hairy, lindseys (? flannels) of one colour														
	„ „ „ of more than one colour														
	„ „ blankets														
	„ „ moleskins, dyed														
	„ „ „ printed														
	„ velvet stuffs, plush														
	„ „ velveteens and bombazeens														
	„ „ velvets														
	Cloth, damasked														
	„ woven, serged, or satined, quilted														
	„ „ „ serge, raw for printing														
	„ „ „ quilted counterpanes														
	„ „ „ not specified, undressed or bleached														
	„ „ „ „ dyed or printed														
	Ribbons														

No.	Articles specified.	Unities upon which the Duties are levied.	Duties in reis.	Duties in Sterling. £ s. d.
47	Tissues (*continued*)—			
	Shawls and handkerchiefs, smooth tissues dyed or printed	Kilogramme	0$700	0 3 $1\frac{1}{4}$
	(Not specified pay same duty as that levied on the tissues corresponding to their kind.)			
	Carpets	,,	0 200	0 0 $10\frac{2}{3}$
	Wicks	,,	0 500	0 2 $2\frac{1}{2}$
	Mixed. (See Appendix.)			
48	Hand-worked—			
	Hosiery and knitting, in Scotch thread	,,	1 300	0 5 $9\frac{1}{4}$
	,, ,, not specified	,,	1 100	0 4 $10\frac{3}{4}$
	Braid, gimp, &c. ("passementerie"), galloons	,,	0 450	0 2 0
	,, not specified	,,	1 100	0 4 $10\frac{3}{4}$
	(Not specified pay double the duty levied on the tissue of which they are made.)			
	7TH CLASS—*Linen.*			
49	Linens—			
	Raw, brown, "abaca" (? Indian hemp) and "ti-cum"	,,	0 0·75	0 0 0·040
	,, ,, not specified	,,	0 4	0 0 $0\frac{1}{5}$
	,, white	,,	0 12	0 0 $0\frac{3}{4}$
	,, hackled	,,	0 60	0 0 $3\frac{1}{6}$
	Spun, plain, undressed	,,	0 250	0 1 $1\frac{1}{4}$
	,, ,, white	,,	0 375	0 1 8
	,, ,, dyed	,,	0 500	0 2 $2\frac{1}{2}$
	,, twist, undressed	,,	1 0	0 4 $5\frac{1}{4}$
	,, ,, white	,,	1 500	0 6 8
	,, ,, dyed	,,	2 0	0 8 $10\frac{3}{4}$
	,, calendered	,,	0 800	0 3 $6\frac{1}{2}$
	Tow, raw	,,	0 0·75	0 0 0·040
	,, spun	,,	0 300	0 1 4
	Lint or thread for dressing wounds	..	Free	..
50	Tissues—			
	Open and transparent, lace, tulle, and mixed	Kilogramme	2 500	0 11 $1\frac{1}{2}$
	,, ,, marline and canvass	,,	0 200	0 0 $10\frac{2}{3}$

Open and transparent, not specified	„	1 500	0 6 8		
Stuffs, smooth and rough, or serged, packing cloth and other coarse cloths	„	0 70	0 0 $3\frac{13}{19}$		
„ „ „ sail-cloth, raw or bleached	„	0 150	0 0 8		
„ „ „ „ dyed	„	0 250	0 1 $1\frac{1}{4}$		
„ „ „ Hollands	„	0 250	0 1 $1\frac{1}{4}$		
„ „ „ canvass stuffs, undressed	„	0 450	0 2 $0\frac{1}{4}$		
„ „ „ „ half bleached for sails	„	0 250	0 1 $1\frac{1}{4}$		
„ „ „ „ bleached	„	0 550	0 2 $5\frac{1}{4}$		
„ „ „ tow and linen stuffs and cloth for envelopes, undressed	„	0 450	0 2 0		
„ „ „ ditto ditto, bleached	„	0 550	0 2 $5\frac{1}{4}$		
„ „ „ ticking, drill, duck, dimity*	„	1 0	0 4 $5\frac{1}{4}$		
Stuffs, damasked	„	0 750	0 3 4		
Ribbons	„	0 500	0 2 $2\frac{1}{2}$		
Mats or carpets of hemp or "cherva"	„	0 250	0 1 $1\frac{1}{4}$		
(Shawls and handkerchiefs pay the duty levied on the tissue of them, according to their kind.)					
Not classified	„	0 500	0 2 $2\frac{1}{2}$		
Mixed. (See Appendix.)					
51 Worked—					
Knitting or hosiery, in Scotch thread	„	1 300	0 5 $9\frac{1}{4}$		
„ „ not specified	„	1 100	0 4 $10\frac{3}{4}$		
Braid, gimp, &c. ("passementerie")	„	1 0	0 4 $5\frac{1}{4}$		
(Not specified pay the double duty on the tissue of which they are made.)					
8th Class—*Wood.*					
52 Wood—					
Rough	Kilogramme	0 2·5	0 0 0·133		
Planks of common wood, sawn, up to 2·75 centimètres of thickness	Mètre	0 10	0 0 $0\frac{10}{19}$		
„ „ from 2·75 up to 5·50 centimètres of thickness	„	0 20	0 0 $1\frac{1}{19}$		
„ „ from 5·50 up to 8·25 ditto	„	0 30	0 0 $1\frac{11}{19}$		
„ „ from 8·25 ditto	„	0 40	0 0 $2\frac{1}{9}$		
Thin boards ("folhas"), for joiner's work	Kilogramme	0 150	0 0 8		
„ „ not specified	„	0 10	0 0 $0\frac{10}{19}$		

* "Cutins e fustoes," &c.

No.	Articles specified.	Unities on which the Duties are levied.	Duties in reis.	Duties in Sterling. £	s.	d.
52	Wood (*continued*)—					
	Joists and rafters (" barrotes e barrotoes")	Mètre	0 20	0	0	$1\frac{1}{19}$
	Beams and little beams (" vigas e vigotas")	„	0 100	0	0	$5\frac{1}{3}$
	Laths	Per piece	0 20	0	0	$1\frac{1}{19}$
	Rods and poles	„	0 40	0	0	$2\frac{1}{9}$
	Staves, for casks for dry goods	Per 100	0 100	0	0	$5\frac{1}{3}$
	„ up to 80 centimètres in length	„	0 100	0	0	$5\frac{1}{3}$
	„ from 80 to 105 ditto	„	0 150	0	0	8
	„ from 105 to 127 ditto	„	0 250	0	1	$1\frac{1}{4}$
	„ from 127 to 157 centimètres in length	„	0 330	0	1	$5\frac{1}{2}$
	„ from 157 ditto	„	1 250	0	5	$6\frac{3}{4}$
	(Staves exceeding 4·5 centimètres in thickness pay each at the rate of two staves; those exceeding 7 centimètres in thickness pay as three staves; and so on, according to the successive degrees of thickness.)					
	Yards and spars, up to 5 mètres in length	Per piece	0 100	0	0	$5\frac{1}{3}$
	„ from 5 to 10 mètres in length	„	0 180	0	0	$9\frac{3}{4}$
	„ from 10 to 11·5 ditto	„	0 300	0	1	4
	„ from 11·5 to 13 ditto	„	0 360	0	1	$7\frac{1}{4}$
	„ from 13 to 14·5 ditto	„	0 400	0	1	$9\frac{1}{4}$
	„ from 14·5 to 16·5 ditto	„	0 460	0	2	$0\frac{1}{2}$
	„ from 16·5 to 18 ditto	„	0 520	0	2	$3\frac{3}{4}$
	„ from 18 to 19·5 ditto	„	0 660	0	2	$11\frac{1}{4}$
	„ from 19·5 to 21·5 ditto	„	0 750	0	3	4
	„ from 21·5 to 23 ditto	„	0 900	0	4	0
	„ from 23 to 24·5 ditto	„	1 100	0	4	$10\frac{3}{4}$
	„ from 24·5 to 26·5	„	1 200	0	5	4
	„ from 26·5 ditto	„	1 800	0	8	0
	Hoops	..	Free	..		
	Worked, boards of common wood, white or painted	Kilogramme	0 20	0	0	$1\frac{1}{19}$
	„ small objects for table use, implements of art, and measures (for guage or surface)	„	0 500	0	2	$2\frac{1}{2}$

	Worked frames, without distinction	*Ad valorem*	30 per cent.	30 per cent.
	,, oars, plain or ornamented	Per piece	0 40	0 0 $2\frac{1}{9}$
	,, goods (or handles for the like)	,,	0 40	0 0 $2\frac{1}{9}$
	,, unspecified workmanship, finished or unfinished	*Ad valorem*	35 per cent.	35 per cent.
53	Cork—			
	Raw	..	Free	..
	Worked	Kilogramme	0 30	0 0 $1\frac{11}{19}$
54	Saw-dust		Free	..
55	Fire-wood	Kilogramme	0 1	0 0 $0\frac{1}{19}$
56	Charcoal	..	Free	..

9TH CLASS.—*Bread Stuffs.*

57	Cereals; the flowers and breads thereof are under a special law. *See* Appendix II.			
58	Cereals, for sowing	Kilogramme	0 25	0 0 $1\frac{1}{3}$
59	Rice—			
	In husk	,,	0 9	0 0 $0\frac{1}{2}$
	Half prepared (not white)	,,	0 12	0 0 $0\frac{3}{4}$
	Out of husk	,,	0 15	0 0 $0\frac{15}{19}$
60	Canary and millet seed	,,	0 12·5	0 0 0·666
61	Chestnuts	..	Free	..
62	Vegetables, dry—			
	Beans	Kilogramme	0 5	0 0 $0\frac{1}{4}$
	Not specified	,,	0 15	0 0 $0\frac{15}{19}$
63	Tubercules—			
	Potatoes	,,	0 5	0 0 $0\frac{1}{4}$
	Salep	,,	0 10	0 0 $0\frac{10}{19}$
	Not specified	..	Free	..
64	Pearl barley	Kilogramme	0 20	0 0 $0\frac{1}{19}$
65	Manioc flour ("cassavi")	,,	0 5	0 0 $0\frac{1}{4}$
66	Fecula	,,	0 10	0 0 $0\frac{10}{19}$
67	Starch	,,	0 7·5	..
68	Pastes	,,	0 50	0 0 $2\frac{3}{4}$
69	Biscuit (sweet, and sea biscuit)	,,	0 75	0 0 4
70	Barley, in sprout ("germinada")	..	Free	..
71	Farinaceous seeds not classified, ground or in husk	Kilogramme	0 7·5	0 0 0·400

No.	Articles specified.	Unities on which the Duties are levied.	Duties in reis.	Duties in Sterling. £	s.	d.
72	Sugar—					
	Not refined, of every quality	Kilogramme	0 875·4	0	0	4·021
	Refined, of all kinds	,,	0 125·6	0	0	6·698
73	Molasses	,,	0 20	0	0	$1\frac{1}{19}$
74	Confectionery—					
	Liquid	,,	0 70	0	0	$3\frac{13}{19}$
	Dry, and sweet cakes	,,	0 125	0	0	$6\frac{3}{4}$
75	Vanille and aromatic beans	..	Free		..	
76	Cocoa (and shell)—					
	From Portuguese Possessions	,,	0 5	0	0	$0\frac{1}{4}$
	From elsewhere	,,	0 20	0	0	$1\frac{1}{19}$
77	Chocolate	,,	0 100	0	0	$5\frac{1}{4}$
78	Coffee—					
	In bean, from Portuguese Possessions	,,	0 14	0	0	$0\frac{14}{19}$
	,, from elsewhere	,,	0 56	0	0	$2\frac{18}{19}$
	Ground, from Portuguese Possessions	,,	0 17·5	0	0	0·933
	,, from elsewhere	,,	0 70	0	0	$3\frac{13}{19}$
79	Tea	Kilogramme	0 460	0	2	$0\frac{1}{2}$
80	Spice—					
	Cumin	,,	0 50	0	0	$2\frac{3}{4}$
	Pepper	,,	0 75	0	0	4
	Pimento	,,	0 25	0	0	$1\frac{1}{3}$
	Not specified	,,	0 100	0	0	$5\frac{1}{3}$
	Preserved or made up. Mustard	,,	0 250	0	1	$1\frac{1}{4}$
	,, ,, Not specified	,,	0 100	0	0	$5\frac{1}{4}$
81	Tobacco. *See* Appendix III.					
	11TH CLASS.—*Divers Vegetable Substances.*					
82	Fruits, fresh. European	,,	0 10	0	0	$0\frac{10}{19}$
	,, ,, Exotic	,,	0 2·5	0	0	0·133

	Fruits, dried. European	"	0 30	0 0 $1\frac{11}{19}$
	" " Exotic	"	0 15	0 0 $0\frac{15}{19}$
83	Potherbs, green or dry, and fresh vegetables	..	Free	..
84	Preserved for food—			
	Fruits. In brandy	Kilogramme	0 70	0 0 $3\frac{13}{19}$
	" In brine or vinegar	"	0 35	0 0 $1\frac{16}{19}$
	Potherbs and vegetables	"	0 35	0 0 $1\frac{16}{19}$
	Hermetically sealed, inclusive of the weight of the cases	"	0 125	0 0 $6\frac{3}{4}$
85	Forage	..	Free	..
86	Plants and seeds, for cultivation	..	"	..
87	Raw fibrous substances—			
	Cocoa-nut filaments. In plain twist	Kilogramme	0 2·5	0 0 0·133
	" " Quite plain	..	Free	..
	Filaments of aloes and agave	..	"	..
	Spanish broom, or mat weed; and all others not named	Kilogramme	0 0·75	0 0 0·040
	Piassava (kind of rush)	"	0 0·5	0 0 0·026
88	Sumahuma (flossy kind of silk of two colours, white and brown), that grows from the seeds of a plant, and is used for stuffing mattrasses and pillow	"	0 0·5	0 0 0·026
89	Vegetable juices—			
	Gums	"	0 25	0 0 $1\frac{1}{3}$
	Resins. Copal	"	0 25	0 0 $1\frac{1}{3}$
	" Lac and dragon's blood	..	Free	..
	" Common, colophane, and common turpentine	..	"	..
	" Pitch and tar	Kilogramme	0 4	0 0 $0\frac{1}{5}$
	" Not specified	"	0 12·5	0 0 0·666
	Gum resin	*Ad valorem*	5 per cent.	5 per cent.
	Natural balsams	"	"	..
	Oils, fixed, liquid—			
	Olive oil. Florentine, weight of case included	Kilogramme	0 100	0 0 $5\frac{1}{3}$
	" Not specified	Decalitre*	0 500	0 2 $2\frac{1}{2}$
	Oil of almonds	Kilogramme	0 100	0 0 $5\frac{1}{3}$
	Oil of Palma Christi, purified	"	0 200	0 0 $10\frac{2}{3}$
	Oil of linseed and nut	"	0 40	0 0 $2\frac{1}{9}$
	Not specified	"	0 10	0 0 $0\frac{10}{19}$
	Oils, fixed—Concrete	..	Free	..

* 1 litre equal to 1·760773 pints, or 0·220967 gallon; 1 decalitre equal to 2·2009667 gallons.

No.	Articles specified.	Unities on which the Duties are levied.	Duties in reis.	Duties in Sterling.
				£ s. d.
89	Vegetable juices (*continued*)—			
	Oils, volatile—			
	Turpentine	Kilogramme	0 8 5	0 0 0¼
	Not specified	„	0 500	0 2 2½
	Sundry kinds of—			
	Camphor, raw	„	0 25	0 0 1⅓
	„ refined	„	0 50	0 0 2¾
	Manna	„	0 150	0 0 8
	Opium	„	0 600	0 2 8
	Aloes	..	Free	..
	Indian rubber and gutta percha	..	„	..
	Not specified	*Ad valorem*	5 per cent.	5 per cent.
90	Medicinal substances—			
	Quinine	Kilogramme	0 10	0 0 0$\frac{10}{19}$
	Mustard, in grain	„	0 50	0 0 2¾
	„ in powder	„	0 80	0 0 4¼
	Lichens and mosses	..	Free	..
	Not specified	*Ad valorem*	5 per cent.	5 per cent.
91	Materials for perfumery—			
	Roots, woods, and bark	..	Free	..
	Fruits and seeds	Kilogramme	0 50	0 0 2¾
	Not specified	*Ad valorem*	20 per cent.	20 per cent.
92	Colouring matter—			
	Carthamum	Kilogramme	0 30	0 0 1$\frac{11}{19}$
	Saffron	..	Free	..
	Alkanet	..	„	..
	Urzella (? orchilla), kind of African weed used for dyeing	..	„	..
	Sumach	..	„	..

	Woods, roots, and bark—			
	Madder, entire	..	Free	..
	„ pulverised	Kilogramme	0 4	0 0 $0\frac{1}{5}$
	Not specified, whole or in pieces	„	0 1·25	0 0 0·066
	Berries	..	Free	..
	Gall nuts	Kilogramme	0 10	0 0 $0\frac{10}{19}$
	Cashoo (astringent gum of the Indian acacia)	„	0 10	0 0 $0\frac{10}{19}$
	Roucou	„	0 100	0 0 $5\frac{1}{3}$
	Not specified	*Ad valorem*	20 per cent.	20 per cent.
93	Fruits and seeds for distillation	Kilogramme	0 50	0 0 $2\frac{3}{4}$
94	Oleaginous seeds	Kilogramme	0 1·5	0 0 0·080
95	Leaven	..	Free	..
96	Dry materials for the use of artists	..	„	..
97	Vegetable substances not classified	*Ad valorem*	5 per cent.	5 per cent.

Mineral Substances and Manufactures.

12th Class.—*Metals.*

98	Gold—			
	In the rough, in powder, and in morsels (of broken objects)	..	Free	..
	Beaten and flattened. In leaf, for gilding	Kilogramme	2 0	0 8 $10\frac{3}{4}$
	„ Not specified	„	50 0	11 1 10
	In wire	„	50 0	11 1 10
	Worked. Medals	„	0 50	0 0 $2\frac{3}{4}$
	„ Coin (specie)	..	Free	..
	„ Lace	Kilogramme	20 0	4 8 8
	„ In jewellery, with precious stones or pearls, in addition to the duty on worked gold	..	1 per cent. on the value of the stones or pearls.	1 per cent. on the value of the stones or pearls.
	„ „ Not specified	Kilogramme	50 0	11 1 10
	„ In goldsmiths' work	„	50 0	11 1 10
99	Platina—			
	In sponge or powder	..	Free	..
	In plates or wire	Kilogramme	2 500	0 11 $1\frac{1}{4}$
	Worked	„	20 0	4 8 8

No.	Articles specified.	Unities on which the Duties are levied.	Duties in reis.	Duties in Sterling.
100	Silver—			£ s. d.
	Rough or broken	..	Free	..
	Beaten and flattened. In leaf	Kilogramme	1 $\mathscr{S}$ 0	0 4 $5\frac{1}{4}$
	„ Not specified	„	5 0	1 2 2
	Wire	„	5 0	1 2 2
	Worked. Plate, including objects gilt inside	„	15 0	3 6 7
	„ Medals	„	0 50	0 0 $2\frac{3}{4}$
	„ Specie, coin, &c.	..	Free	.
	„ Lace	Kilogramme	10 0	2 4 4
	„ In jewellery, with precious stones or pearls, in addition to the duty on worked silver	..	1 per cent. on the value of the stones or pearls.	1 per cent. on the value of the stones or pearls.
	„ „ Not specified	Kilogramme	30 0	6 13 2
	„ Silversmiths' work, not specified	„	30 0	6 13 2
101	Iron—			
	Cast, in the rough (raw)	Kilogramme	0 2	0 0 $0\frac{1}{9}$
	Beaten	„	0 3	0 0 $0\frac{1}{6}$
	Em metralha ("mitraille," case-shot, grape-shot, or braziers' ware ?) . ..	..	Free	..
	In plates. Plain	Kilogramme	0 3	0 0 $0\frac{1}{6}$
	„ Tinned (tin foil)	„	0 3·5	0 0 0·186
	„ Galvanized or zinc-coated	„	0 4	0 0 $0\frac{1}{5}$
	Wire-drawn. Plain	„	0 35	0 0 $1\frac{16}{19}$
	„ Wire covered with linen, silk, cotton, or paper	„	0 300	0 1 4
	„ Cloth of any kind, in the piece	„	0 50	0 0 $2\frac{3}{4}$
	Cast. Nails	„	0 100	0 0 $5\frac{1}{3}$
	„ Not specified. Plain	„	0 75	0 0 4
	„ „ Varnished, tinned, or enamelled	„	0 125	0 0 $6\frac{3}{4}$
	„ „ Plain or varnished, weighing, each piece, more than 135 kilogrammes	„	0 30	0 0 $1\frac{11}{19}$

	Wrought and beaten.	Chains, cables, and anchors	„	0 10	0 0 $0\frac{10}{19}$
	„	Shovels	„	0 75	0 0 4
	„	Nails. Plain	„	0 100	0 0 $5\frac{1}{3}$
	„	„ With brass heads	„	0 200	0 0 $10\frac{2}{3}$
	„	Not specified. Plain	„	0 175	0 0 $9\frac{1}{3}$
	„	„ Polished or varnished	„	0 250	0 1 $1\frac{1}{2}$
	„	„ Lacquered or tinned, inclusive of ornaments	„	0 375	0 1 8
	„	„ Tin foil, ditto	„	0 400	0 1 $9\frac{1}{4}$
	Wire-drawn.	Pins, buckles, clasps and hooks	„	0 125	0 0 $6\frac{3}{4}$
	„	Nails	„	0 100	0 0 $5\frac{1}{3}$
	„	Not specified	„	0 50	0 0 $2\frac{3}{4}$
102	Steel—				
	In bars		„	0 4	0 0 $0\frac{1}{5}$
	Laminated.	Springs for carriages	„	0 25	0 0 $1\frac{1}{3}$
	„	Not specified	„	0 150	0 0 8
	Wire		„	0 50	0 0 $2\frac{3}{4}$
	Cutlery.	With handles in mother-of-pearl, tortoiseshell, ivory, or rhinoceros	„	0 350	0 1 $6\frac{1}{2}$
	„	„ in whalebone, horn, or other hard animal substance	„	0 300	0 1 4
	„	„ in wood or metal, excepting gold and silver	„	0 250	0 1 $1\frac{1}{4}$
	„	„ incrusted with gold or silver	„	0 500	0 2 $2\frac{1}{2}$
	„	Sailors' knives, with iron handles	„	0 100	0 0 $5\frac{1}{3}$
	„	Scissors	„	0 500	0 2 $2\frac{1}{2}$
	„	Divers implements armed with blades or points, or not, including their handles and accessories, in wood	„	0 75	0 0 4
	„	„ Not specified	„	0 150	0 0 8
103	Copper—				
	Raw, and in cannon-shot (?) "mitraille"		..	Free	..
	Pure.	Cast	Kilogramme	0 2	0 0 $0\frac{1}{9}$
	„	Beaten and in plates. In bowls, unfinished	„	0 20	0 0 $1\frac{1}{1\,9}$
	„	„ Not specified	„	0 2	0 0 $0\frac{1}{9}$
	Pure, in wire.	Plain	„	0 50	0 0 $2\frac{3}{4}$
	„	Covered by cloth of any kind, in piece	„	0 50	0 0 $2\frac{3}{4}$

No.	Articles specified.	Unities on which the Duties are levied.	Duties in reis.	Duties in Sterling. £ s. d.
103	Copper (*continued*)—			
	In alloy—			
	Mixed with zinc, brass, or other similar alloy—			
	In shot ("mitraille")	..	Free	..
	Cast or smelted	Kilogramme	0 2	0 0 $0\frac{1}{9}$
	Beaten. In bowls, unfinished	„	0 25	0 0 $1\frac{1}{3}$
	„ Not specified	„	0 2·5	0 0 0·133
	In wire. Plain	„	0 50	0 0 $2\frac{3}{4}$
	„ Covered by cloth, in the piece	„	0 50	0 0 $2\frac{3}{4}$
	Bronzed, &c.—			
	Cast and in shot "mitraille"	..	Free	..
	In all other conditions, considered as brass	..	„	..
	With nickel (silvered)—			
	Cast, and in shot	..	„	..
	In other conditions, considered as brass	..	„	..
	Beaten out in thin plates	..	„	..
	Plain, alloyed, plated, worked—			
	With thread and cloth	Kilogramme	0 50	0 0 $2\frac{3}{4}$
	Jewellery	„	2 500	0 11 $1\frac{1}{2}$
	Buttons. Plain	„	0 500	0 2 $2\frac{1}{2}$
	„ Worked or enamelled	„	0 750	0 3 4
	Nails	„	0 200	0 0 $10\frac{2}{3}$
	All gilt (plated)	„	0 500	0 2 $2\frac{1}{2}$
	Not specified	„	0 250	0 1 $1\frac{1}{4}$
104	Lead—			
	In shot	..	Free	..
	Cast	Kilogramme	0 2·5	0 0 0·133
	Beaten out	„	0 2·5	0 0 0·133
	Alloyed with antimony	..	Free	..
	Worked. For ammunition	Kilogramme	0 30	0 0 $1\frac{11}{19}$
	„ Not specified	„	0 50	0 0 $2\frac{3}{4}$

105	Tin—			
	Broken objects	Free		
	Cast or founded	Kilogramme	0 2	0 0 $0\frac{1}{9}$
	Beaten, in plates	„	0 2·5	0 0 0·133
	In alloy, for soldering	Free		
	Worked	Kilogramme	0 200	0 0 $10\frac{2}{5}$
106	Zinc—			
	Worked	„	0 70	0 0 $3\frac{13}{19}$
	Beaten, in plates	„	0 10	0 0 $0\frac{10}{19}$
	Cast, and in broken objects	Free		
107	Antimony—			
	Metallic	„		
	Sulphurated	Kilogramme	0 1	0 0 $0\frac{1}{19}$
	Worked	„	0 40	0 0 $2\frac{1}{9}$
108	Mercury	„	0 2·5	0 0 0·133
109	Metals, not classified—			
	Raw	Free		
	Worked, classified as copper	„		

13TH CLASS.—*Minerals.*

110	Minerals—			
	Containing magnesia	Kilogramme	0 2·5	0 0 0·133
	Not specified	Free		
111	Sulphur—			
	Raw	„		
	In tubes, and sublimated	Kilogramme	0 1·5	0 0 0·080
112	Elementary substances used for the arts; and for construction and decoration—			
	Cements	„	0 0·1	0 0 0·005
	Chalk	„	0 0·25	0 0 0·030
	Gypsum. Raw	„	0 0·25	0 0 0·030
	„ Burnt	„	0 2·5	0 0 0·133
	Sulphate of barilla	„	0 5	0 0 $0\frac{1}{4}$
	Colouring earths, and ochres of all colours	„	0 5	0 0 $0\frac{1}{4}$
	Stones. For sharpening	„	0 1	0 0 $0\frac{1}{19}$
	„ Not specified	Free		
	Not specified	„		

No.	Articles specified.	Unities on which the Duties are levied.	Duty in Reis.	Duties in Sterling. £ s. d.
113	Combustible fossils and their products, not classified	..	Free	..
114	Precious stones—			
	Rough	*Ad valorem*	1½ per cent.	1½ per cent.
	Cut	„	1 per cent.	1 per cent.
115	Minerals, raw, not classified	..	Free	..
116	Objects made from mineral substances—			
	Alabaster, small hardware objects excepted	..	„	..
	Jasper, ditto	..	„	..
	Amianthus, ditto	..	„	..
	Amber, ditto	..	„	..
	Jet, ditto	..	„	..
	Plaister (works of art) moulded or cast	Kilogramme	0 8 10	0 0 $0\frac{10}{19}$
	Not specified	„	0 1	0 0 $0\frac{1}{19}$
*	Petroleum (oil)	„	0 20	0 0 $1\frac{1}{19}$
117	Fermented liquors—			
	Beer	Decalitre ..	0 680	0 3 $0\frac{1}{4}$
	Cider	„	0 680	0 3 $0\frac{1}{4}$
	Geropiga, prepared from aloes (?)	„	1 100	0 4 $10\frac{3}{4}$
	Hydromel	„	0 680	0 3 $0\frac{1}{4}$
	Wine	„	1 000	0 4 $5\frac{1}{4}$
	Vinegar	„	0 340	0 1 6
118	Distilled liquors—			
	Brandy and alcohol. Up to 33° Cartier	„	1 100	0 4 $10\frac{3}{4}$
	„ From 33° Cartier; and all imported in bottles, flasks, flagons, and the like	„	1 500	0 6 8
	Gin	„	1 500	0 6 8
	Liqueurs	„	1 500	0 6 8
119	Drinks not classified	„	1 100	0 4 $10\frac{3}{4}$

* Not classified in Tariff of 1861.—R. Lytton.

15TH CLASS.—*Glass, Crystal, and Ceramic, or Fictile Manufactures.*

120	Glass and Crystal—				
	In polished plates of more than 756 square centimètres in dimension, without foil	6 sq. centimètr.	0 1	0 0 $0\frac{1}{19}$	
	" " " with foil ..	"	0 2	0 0 $0\frac{1}{9}$	
	Up to 756 square centimètres, in polished plates, with or without foil, inclusive of the cases and frames	Kilogramme	0 50	0 0 $2\frac{3}{4}$	
	In plates not polished, and all other kinds of workmanship, not specified, blown, moulded, or cut, of every kind of form, colour, and ornament	"	0 160	0 0 $8\frac{1}{2}$	
	Glass vessels of common glass, black or green	"	0 5	0 0 $0\frac{1}{4}$	
	Jewellery, and settings, or pieces, for jewellery	"	0 50	0 0 $2\frac{3}{4}$	
	Artificial gems, and false pearls	"	0 500	0 2 $2\frac{1}{2}$	
	Broken	..	Free	..	
121	Pottery—				
	Pipe clay, common or coarse	Kilogramme	0 20	0 0 $1\frac{1}{19}$	
	" fine	"	0 100	0 0 $5\frac{1}{3}$	
	Gritstone ("grès"), common or coarse	"	0 2·5	0 0 0·133	
	" " fine	"	0 75	0 0 4	
	Porcelain	"	0 300	0 1 4	
122	Ceramic of sundry kinds—				
	Dutch tiles	"	0 50	0 0 $2\frac{3}{4}$	
	Bricks for polishing metal	"	0 10	0 0 $0\frac{10}{19}$	
	Not specified	"	0 1	0 0 $0\frac{1}{19}$	
123	Utensils of glass, crystal, or pottery, for scientific purposes, for the use of artists, or for chemical laboratories, whether complete or in detached pieces ; as well as the separate pieces of whatsoever instruments or apparatus, &c.	"	0 1	0 0 $0\frac{1}{19}$	

16TH CLASS.—*Paper, and Manufactures in which it is used.*

124	Paper—				
	Writing paper, of every quality and colour, lined, and of silk ("de seda") ..	"	0 100	0 0 $5\frac{1}{3}$	
	Printing paper, of every colour..	"	0 15	0 0 $0\frac{15}{19}$	
	Drawing paper	"	0 35	0 0 $1\frac{16}{19}$	
	Packing paper, of every quality and colour, stamped or painted	"	0 50	0 0 $2\frac{3}{4}$	
	Silvered, without distinction	"	0 10	0 0 $0\frac{10}{19}$	
	Gilt, common	"	0 10	0 0 $0\frac{10}{19}$	
	" fine	"	0 20	0 0 $1\frac{1}{19}$	

No.	Articles specified.	Unities on which the Duties are levied.	Duties in reis.	Duties in Sterling.
124	Paper (*continued*)—			
	Rice-paper	Kilogramme	Free	..
	Shagreen	..	,,	..
125	Card and cardboard	Kilogramme	0 7·5	0 0 0·400
126	Playing cards	,,	0 100	0 0 $5\frac{1}{3}$
127	Boardings of books	,,	0 250	0 1 $1\frac{1}{4}$
128	Sundry kinds, printed and detached (such as labels, &c.)	,,	0 100	0 0 $5\frac{1}{3}$
129	Music, printed, lithographed, and manuscript	,,	0 30	0 0 $1\frac{1}{19}$
130	Stamps	,,	0 50	0 0 $2\frac{3}{4}$
131	Maps	..	Free	..
132	Books—			
	In foreign languages, in loose sheets, or stitched	..	,,	..
	In Portuguese, when the authors of them reside abroad; in loose sheets, or stitched	..	,,	..
	In Portuguese, when the authors of them reside in Portugal	Kilogramme	0 100	0 0 $5\frac{1}{3}$
	Reprints made out of Portugal, of Portuguese editions (or after Portuguese editions), and in the Portuguese language, can only be admitted twenty years after their last edition, on payment of	,,	0 100	0 0 $5\frac{1}{3}$
	In white	,,	0 150	0 0 8
	Bound	,,	0 50	0 0 $2\frac{3}{4}$
133	Clippings, shreds, rags, &c., for making paper	..	Free	..
	17TH CLASS.—*Chemical Products.*			
134	Brome	..	,,	..
135	Iodine	..	,,	..
136	Phosphorus	Kilogramme	0 100	0 0 $5\frac{1}{3}$
137	Iron reduced by hydrogen, inclusive of the weight of the case	*Ad valorem*	5 per cent.	..
138	Acids—			
	Boric, raw	..	Free	..
	Sulphuric	Kilogramme	0 1	0 0 $0\frac{1}{19}$
	Chloro-hydric	,,	0 1	0 0 $0\frac{1}{19}$

	Arsenic	..	Free	..	
	Acetic (pyrolenic)	..	,,	..	
	Citric	Kilogramme	0 125	0 0 $6\frac{3}{4}$	
	Tartaric	,,	0 125	0 0 $6\frac{3}{4}$	
	Palmetic (prepared or not prepared)	,,	0 50	0 0 $2\frac{3}{4}$	
	Stearic and oleic	,,	0 50	0 0 $2\frac{3}{4}$	
	Not specified	,,	0 200	0 0 $10\frac{2}{3}$	
139	Alkalies, caustics, solid and dissolved	,,	0 700	0 3 $1\frac{1}{4}$	
140	Alkaloids, and all their salts	,,	0 200	0 0 $10\frac{2}{3}$	
141	Oxydes (metallic)—				
	Of magnesia	,,	0 50	0 0 $2\frac{3}{4}$	
	Of iron	..	Free	..	
	Of zinc (white of zinc of all qualities)	Kilogramme	0 5	0 0 $0\frac{1}{4}$	
	Of tin, and in putty powder	,,	0 25	0 0 $1\frac{1}{3}$	
	Of lead	,,	0 5	0 0 $0\frac{1}{4}$	
	Of bismuth	,,	0 700	0 3 $1\frac{1}{4}$	
	Of antimony	,,	0 50	0 0 $2\frac{3}{4}$	
	Of mercury	,,	0 50	0 0 $2\frac{3}{4}$	
142	Salts—				
	Azotates of potash, in every condition	,,	0 125	0 0 $6\frac{3}{4}$	
	,, soda, ditto	..	Free	..	
	,, ammonia, baryta, and stroncium	Kilogramme	0 50	0 0 $2\frac{3}{4}$	
	,, lead	,,	0 125	0 0 $6\frac{3}{4}$	
	,, copper	..	Free	..	
	,, bismuth	Kilogramme	0 700	0 3 $1\frac{1}{4}$	
	,, silver, crystallized or melted	,,	6 0	1 6 8	
	Chlorates	,,	0 125	0 0 $6\frac{1}{2}$	
	Hypochlorites, solid and liquid	,,	0 25	0 0 $1\frac{1}{3}$	
	Sulphates	,,	0 2·5	0 0 0·133	
	Sulphites and hyposulphites	..	Free	..	
	Carbonate of potash, raw	Kilogramme	0 5	0 0 $0\frac{1}{4}$	
	,, ,, refined	,,	0 50	0 0 $2\frac{3}{4}$	
	,, ,, bi-carbonate	,,	0 50	0 0 $2\frac{3}{4}$	
	,, of soda, raw, natural	..	Free	..	
	,, ,, ,, artificial	Kilogramme	0 10	0 0 $0\frac{10}{19}$	

No.	Articles specified.	Unities on which the Duties are levied.	Duties in Reis.	Duties in Sterling.
				£ s. d.
142	Salts (*continued*)—			
	Carbonate of soda, refined, dry	Kilogramme	0 10	0 0 $0\frac{10}{19}$
	„ „ crystallized	„	0 12·5	0 0 0·666
	„ „ bi-carbonate	„	0 12·5	0 0 0·666
	„ of ammonia	„	0 50	0 0 $2\frac{3}{4}$
	„ of magnesia	„	0 50	0 0 $2\frac{3}{4}$
	„ of lead	„	0 12·5	0 0 0·666
	Borate of soda	..	Free	..
	Chlorure of ammonia	Kilogramme	0 12	0 0 $0\frac{3}{4}$
	„ tin	„	0 25	0 0 $1\frac{1}{3}$
	„ mercury	„	0 500	0 2 $2\frac{1}{2}$
	„ sodium	..	Free	..
	Iodures	Kilogramme	0 200	0 0 $10\frac{2}{3}$
	Chromates of potash	„	0 10	0 0 $0\frac{10}{19}$
	Ferro-cyanure of potassium	..	Free	..
	Acetate of potash	Kilogramme	0 250	0 1 $1\frac{1}{4}$
	„ iron	..	Free	..
	„ lead	Kilogramme	0 2·5	0 0 0·133
	„ copper	„	0 50	0 0 $2\frac{3}{4}$
	Citrate of magnesia	„	0 500	0 2 $2\frac{1}{2}$
	Bi-oxalate of potash	„	0 125	0 0 $6\frac{3}{4}$
	Bi-tartrate of potash, raw and refined, grey or white	..	Free	..
143	Sulphurets—			
	Of mercury	Kilogramme	0 25	0 0 $1\frac{1}{3}$
	Not specified	..	Free	..
144	Ether	Kilogramme	0 250	0 1 $1\frac{1}{4}$
145	Chloroform	..	Free	..
146	Glycerine	..	„	..
147	Creosote	..	„	..
148	Cases of chemical reactives and specimens for study	..	„	..
149	Chemical products not classified	*ad valorem*	10 per cent.	10 per cent.

150	Medicaments (made up)—			
	Waters, mineral, artificial, and natural	Kilogramme	0 10	0 0 $0\frac{10}{19}$
	„ distilled, alcoholic	„		
	„ „ not alcoholic	„		
	Cerates and unguents	..	Free	..
	Plaister and cerecloth	..	„	..
	Not specified, including the value of the cases	*Ad valorem*	5 per cent.	5 per cent.
151	Perfumery—			
	Eau de Cologne, including the value of the cases	Kilogramme	0 300	0 1 4
	Aromatic spirits	„	0 250	0 1 $1\frac{1}{4}$
	Aromatic pomades	„	0 500	0 2 $2\frac{1}{2}$
	Tooth powder	„	0 250	0 1 $1\frac{1}{4}$
	Balsamic preparations	„	0 500	0 2 $2\frac{1}{2}$
	Aromatic vinegar, inclusive of weight of cases	„	0 300	0 1 4
	Pastilles and perfumed pastes for fumigating, &c.	..	Free	..
	Not specified	*Ad valorem*	20 per cent.	20 per cent.
152	Colouring matters—			
	Carmine	..	Free	..
	Extracts—			
	Carthamum, in paper	Kilogramme	0 30	0 0 $1\frac{11}{19}$
	Liquid or in paste, of wood, root, or bark	„	0 1·25	0 0 0·066
	Liquid or in paste, with tannin	..	Free	..
	Turnsol (sunflower) and cudbear	Kilogramme	0 20	0 0 $1\frac{1}{19}$
	Indigo	„	0 12·5	
	Lacks, of Brazilian wood	*Ad valorem*	5 per cent.	5 per cent.
	„ not specified	Kilogramme	0 10	0 0 $0\frac{10}{19}$
	Not specified	*Ad valorem*	20 per cent.	20 per cent.
153	Colours and dyes—			
	Ashes, blue and green	Kilogramme	0 125	0 0 $6\frac{3}{4}$
	Ultramarine	„	0 50	0 0 $2\frac{3}{4}$
	Cobalt	..	Free	..
	Prussian blue	..	„	..
	Chrome yellow	Kilogramme	0 50	0 0 $2\frac{3}{4}$
	Lamp and ivory black	„	0 10	0 0 $0\frac{10}{19}$
	Ink, writing	„	0 50	0 0 $2\frac{3}{4}$

No.	Articles specified.	Unities on which the Duties are levied.	Duties in Reis.	Duties in Sterling,
				£ s. d.
153	Colours and dyes (*continued*)—			
	Ink, China	..	Free	..
	„ printing and lithographic	..	..	..
	Blacking and varnish for boots	Kilogramme	0 875	0 0 4
	Varnishes	„	0 10	0 0 $0\frac{10}{19}$
	Not specified; in powder, or prepared for oil or water colours, or for miniature painting	*Ad valorem*	5 per cent.	5 per cent.
154	Produce and compositions for various uses—			
	Soap (common, house)	Kilogramme	0 25	0 0 $1\frac{1}{3}$
	Toilet soaps	„	0 150	0 0 8
	Sealing wax	„	0 125	0 0 $6\frac{3}{4}$
	Wafers	„	1 0	0 4 $5\frac{1}{4}$
	Lucifer matches, inclusive of the boxes and cases	„	0 50	0 0 $1\frac{3}{4}$
	Tinder	..	Free	..
	Ice	..	„	..
	Glues—			
	Gelatine, glue, and fish gum	Kilogramme	0 30	0 0 $1\frac{11}{19}$
	Not specified	„	0 5	0 0 $0\frac{1}{4}$
	Fireworks	..	Free	..
	Fulminating capsules (gun-caps), of mineral materials	..	„	..
	„ „ not specified	Kilogramme	0 250	0 1 $1\frac{1}{4}$
	Artificial teeth	..	Free	..
	Gunpowder. (Exclusive State monopoly.)			

19TH CLASS.—*Manufactures from various Materials.*

155	Arms—			
	Armes blanches, complete or in separate pieces	*Ad valorem*	15 per cent.	15 per cent.
	Fire-arms—			
	Artillery and appurtenances	„	1 per cent.	1 per cent.
	Portable, complete, or in separate pieces	„	30 per cent.	30 per cent.

156	Instruments and apparatus, in cases or separate pieces—				
	Surgical, of indiarubber	Kilogramme	0 25		
	„ not specified	*Ad valorem*	20 per cent.	20 per cent.	
	Of calculation, observation, and precision	„	5 per cent.	5 per cent.	
157	Chemical utensils and apparatus, complete or in separate pieces—				
	Of agate	..	Free	..	
	Not specified	*Ad valorem*	5 per cent.	5 per cent.	
158	Agricultural machines and instruments, complete or in separate pieces	Kilogramme	0 2	0 0 $0\frac{1}{9}$	
159	Industrial apparatus and mechanism, complete or in separate pieces—				
	Iron cranes	„	0 10	0 0 $0\frac{10}{19}$	
	Apparatus for distillery, and for concentration *in vacuo*, and forms for refinery with copper foil	„	0 20	0 0 $1\frac{1}{19}$	
	Founts for printing types	..	Free	..	
	Not specified, if accompanied by a declaration of the use for which they are made, according to forms prescribed	Kilogramme	0 2	0 0 $0\frac{1}{9}$	
160	*Licos* (owse or linen thread wound on the beams moved by the sley)	„	0 20	0 0 $1\frac{1}{19}$	
161	Characters and ornaments for printing	„	0 25	0 0 $1\frac{1}{3}$	
162	Woodcut blocks and metal stereotype	..	Free	..	
163	Prepared canvass for painting	..	„	..	
164	Models of machines, apparatus, or instruments, of vehicles, architectural constructions, foundry and plastic arts	..	„	..	
165	Objects of all kinds for museums, specimens for scientific collections, and collections of all works of art not specified	..	„	..	
166	Oil and water-colour pictures, not counting the frames	*Ad valorem*	5 per cent.	5 per cent.	
167	Vehicles—				
	For the transport of merchandize	Each	11 500	2 10 $6\frac{1}{2}$	
	Small vehicles, drawn by hand, for sick persons, &c.	„	2 0	0 8 $10\frac{3}{4}$	
	„ not specified	„	70 0	15 10 6	
	Carriages	„	230 0	51 2 2	
	Sedan chairs and litters, &c.	„	5 500	1 4 $4\frac{1}{2}$	
168	Clockwork, &c.—				
	Clocks and watches, for pocket use with case, gold	Per piece	1 100	0 4 $10\frac{3}{4}$	
	„ „ silver or other metal	„	0 600	0 2 8	
	„ not specified, even if furnished with alarum or chimes, &c., including all accessories and ornaments	*Ad valorem*	20 per cent.	20 per cent.	

No.	Articles specified.	Unities on which the Duties are levied.	Duties in Reis.	Duties in Sterling.
				£ s. d.
168	Clockwork, &c. (*continued*)—			
	Metal workmanship—			
	For pocket watches or clocks	Per piece	0$200	0 0 $10\frac{2}{3}$
	For watches or clocks not specified	*Ad valorem*	20 per cent.	20 per cent.
	Wooden workmanship, even if containing some pieces in metal	Per piece	0 200	0 0 $10\frac{2}{3}$
	Musical chimes, &c.	„	0 230	0 1 $0\frac{1}{4}$
	Pieces for clock or watchmaking	Kilogramme	0 200	0 0 $10\frac{2}{3}$
169	Hats—			
	Of straw, fine, plain	Per piece	0 900	0 4 0
	„ „ trimmed	„	2 0	0 8 $10\frac{3}{4}$
	„ common	„	0 100	0 0 $5\frac{3}{4}$
	Of felt, varnished	„	0 900	0 4 0
	Not specified—			
	Men's, including soldiers' caps	„	0 900	0 4 0
	Women's, plain	„	1 0	0 4 $5\frac{1}{4}$
	„ trimmed	„	2 0	0 8 $10\frac{3}{4}$
	Felt groundwork for hats	„	0 300	0 1 4
170	Caps, &c.	„	0 400	0 1 $9\frac{1}{4}$
171	Head-dresses for women, &c.	„	2 0	0 8 $10\frac{3}{4}$
172	Umbrellas, parasols, &c.—			
	Of silk	Per piece	1 300	0 5 $9\frac{1}{4}$
	Of other stuffs	„	0 900	0 4 0
	Fittings, complete	„	0 800	0 3 $6\frac{1}{2}$
	„ in separate pieces	Kilogramme	1 760	(30 per cent.)
173	Boots and shoes, even if unfinished	Per pair	0 800	0 3 $6\frac{1}{2}$
174	Gutta-percha and india-rubber—			
	In tissue, with silk	Kilogramme	2 0	0 8 $10\frac{3}{4}$
	„ with other materials	„	1 0	0 4 $5\frac{1}{4}$
	Worked or made up, pouches and tubes	..	Free	..
	„ not specified	Kilogramme	0 25	0 0 $1\frac{1}{3}$
175	Trunks, portmanteaus, &c., of wood or leather	Per piece	1 700	0 7 $6\frac{3}{4}$

176	Travelling bags and boxes not of leather	Kilogramme	1 0	0 4 $5\frac{1}{4}$
177	Carpet bags and sporting bags, not of leather	Per piece	0 500	0 2 $2\frac{1}{2}$
178	Oil-cloths—			
	In silk	Kilogramme	0 500	0 2 $2\frac{1}{2}$
	In tissue, not specified, for carpeting floors	,,	0 50	0 0 $2\frac{3}{4}$
	,, ,, for other uses	,,	0 750	0 3 4
	Worked, or made up	,,	1 0	0 4 $5\frac{1}{4}$
179	Matting—			
	Of rush, in plaits	,,	0 1	0 0 $0\frac{1}{19}$
	,, finished	,,	0 5	0 0 $0\frac{1}{4}$
	Of straw, fine	,,	0 200	0 0 $10\frac{2}{3}$
	,, common	,,	0 100	0 0 $5\frac{1}{3}$
180	Straw mats	,,	0 2	0 0 $0\frac{1}{9}$
181	Fibrous vegetable substances, worked up—			
	Of osier	,,	0 100	0 0 $5\frac{1}{3}$
	Of palm	,,	0 1	0 0 $0\frac{1}{19}$
	Of piassava (American rush)	,,	0 20	0 0 $1\frac{1}{19}$
	Of straw, plaits and pieces	,,	0 500	0 2 $2\frac{1}{2}$
	,, not specified	,,	1 0	0 4 $5\frac{1}{4}$
182	Musical instruments—			
	Harps	Per piece	10 0	2 4 4
	Pianos (grand or cottage)	,,	23 0	5 2 2
	Not specified, complete or in separate pieces	*Ad valorem*	25 per cent.	25 per cent.
183	Foreign shipping—			
	New or in navigable condition, which shall be nationalized (N.B.—Steam-boats are exempted from nationalization duty till the year 1870.)	1 m. c.	9 0	2 0 0
	Condemned as unseaworthy, and to be broken up, which shall have been reconstructed and nationalized whatsoever the expense of reconstruction	,,	2 500	0 11 1
	Condemned as unseaworthy, and to be broken up, which shall be sold complete or in separate lots, provisions and spare property excepted	*Ad valorem*	13 per cent.	13 per cent.
184	Cordage—			
	Linen cables, cordage, and rigging, tarred or not, new or old	Kilogramme	0 65	0 0 $3\frac{3}{19}$
	,, ,, ,, ,, tarred for picking and undoing	..	Free	..
	,, cord or twine, tarred, for gun-carriage, or cordage	Kilogramme	0 50	0 0 $2\frac{3}{4}$
	,, ,, for sails	,,	0 100	0 0 $5\frac{1}{3}$
	,, marline, sewing thread, tarred or not, and sounding line	,,	0 100	0 0 $5\frac{1}{3}$

No.	Articles specified.	Unities on which the Duties are levied.	Duties in reis.	Duties in Sterling. £	s.	d.
184	Cordage (*continued*)—					
	Linen, gun matches	Kilogramme	0 20	0	0	$1\frac{1}{19}$
	Cocoa-nut, new	,,	0 80	0	0	$4\frac{1}{4}$
	,, old	..	Free		..	
	Aloes, new	Kilogramme	0 80	0	0	$4\frac{1}{4}$
	,, old	..	Free		..	
	Rush	Kilogramme	0 20	0	0	$1\frac{1}{19}$
	Piassava, new	,,	0 80	0	0	$4\frac{1}{4}$
	,, old	..	Free		..	
	*Pita, new	Kilogramme	0 80	0	0	$4\frac{1}{4}$
	,, old	..	Free		..	
185	Fancy ware—					
	Brushes, mounted in mother-of-pearl, ivory, bone, tortoiseshell, or any kind of composition representing these and similar materials	Kilogramme	1 500	0	6	8
	Brushes, not specified	,,	1 0	0	4	$5\frac{1}{4}$
	Dressing and working-cases	*Ad valorem*	20 per cent.	20 per cent.		
	Screens and fans	Kilogramme	1 0	0	4	$5\frac{1}{4}$
	Artificial flowers, made up, or in separate pieces	,,	12 0	2	13	4
	Stumps (for drawing)	..	Free		..	
	Pencils, fine, with wood	Kilogramme	0 500	0	2	$2\frac{1}{2}$
	,, common ditto	,,	0 50	0	0	$2\frac{3}{4}$
	,, in stone	..	Free		..	
	Paint-brushes, fine	..	,,		..	
	,, common	Kilogramme	0 370	0	1	$7\frac{3}{4}$
	Hand-mills, with wooden boxes	Each	0 200	0	0	$10\frac{2}{5}$
	Galvanic chains	,,	0 100	0	0	$5\frac{1}{5}$
	Walking-sticks and canes, plain	,,	0 100	0	0	$5\frac{1}{5}$
	,, ,, mounted ornamentally	,,	0 200	0	0	$10\frac{2}{5}$
	Childrens' toys, &c.	Kilogramme	0 250	0	1	$1\frac{1}{4}$
	Not specified	,,	0 370	0	1	$7\frac{3}{4}$

* Kind of aloes.

EXPORT DUTIES.

Merchandize Taxed on Exportation or Re-exportation.

No.	Articles specified.	Unities on which the Duties are levied.	Duties in reis.	Duties in Sterling. £	s.	d.
1	Cereals, of national produce	..	Free	..		
2	Bark, for tanning	Kilogramme	0 30	0	0	$1\frac{11}{19}$
3	Gold, in whatsoever condition	,,	5 0	1	2	2
4	Silver ,, ,, ...	,,	0 500	0	2	$2\frac{1}{2}$
5	Drinks—					
	Fermented, geropiga	Per decalitre	0 14	0	0	$0\frac{14}{19}$
	,, beer, cider, and hydromel	,,	0 7	0	0	$0\frac{7}{19}$
	,, wine, port*	,,	0 7	0	0	$0\frac{7}{19}$
	,, ,, not specified	,,	0 7	0	0	$0\frac{7}{19}$
	,, vinegar	,,	0 3·5	..		
	Distilled, brandy	,,	0 14	0	0	$0\frac{14}{19}$
	,, gin	,,	0 14	0	0	$0\frac{14}{19}$
	,, liqueurs	,,	0 14	0	0	$0\frac{14}{19}$
6	Not specified	,,	0 14	0	0	$0\frac{14}{19}$
7	Broken glass	Kilogramme	0 25	0	0	$1\frac{1}{3}$
8	Rags	,,	0 30	0	0	$1\frac{11}{19}$
9	Wine lees or raw tartar, including that which has already been refined (cream of tartar)	,,	0 25	0	0	$1\frac{1}{3}$
	Merchandise not specified—					
	Exported	*Ad valorem*	$\frac{1}{2}$ per cent.	$\frac{1}{2}$ per cent.		
	Re-exported	,,	1 per cent.	1 per cent.		

* The export duty on port wine was, until recently, 58 reis (about $3\frac{7}{19}d.$) per decalitre. It is now placed on the same footing as all other wines, *i e.* about 7 reis (rather more than one-third of a penny) per decalitre; which comes to about 1*s.* 8*d.* per pipe, instead of, as formerly, 13*s.* $9\frac{1}{4}d.$ per pipe.

Appendix I.

Articles 24 and 26 of Preliminary Instructions to the Portuguese Customs Authorities, December 18, 1861.

Article 24.

The duty upon tissues in which silk is mixed with other materials is fixed as follows:—

1. Mixed tissues, in which all the threads of the warp or all the threads of the woof are of silk, are subject to the duty levied on analogous tissues exclusively composed of silk.

2. Mixed tissues, of which half, or more than half, the threads, either of warp or woof, are of silk and the remaining threads of other material, are subject to a duty made up—half of the duty levied on analogous tissues composed wholly of silk, and half of the duty levied on analogous tissues composed of any of the other materials paying the highest rate of duty.

3. Mixed tissues, in which less than half the threads of warp or woof are of silk, and the remaining threads of other materials, are subject to a duty made up—one fourth part of the duty levied on analogous tissues composed wholly of silk, and the other three-fourths of the duty levied on analogous tissues composed of any of the other materials paying the highest rate of duty.

4. Tissues of whatsoever materials containing gold or silver pay, in addition to the duty levied on those tissues, 25 per cent of the principal duty. If the gold or silver be false this augmentation of duty does not take place.

Article 26.

All goods made up of several raw materials visibly distinct (except all mixed tissues partly composed of silk) are liable to the payment of the highest rate of duty levied upon any of those materials of which they are made. This rule does not include ornaments or mere embellishments, the total value of which shall be less than that of the principal material to which they are accessory, unless the contrary be expressly stated in the Tariff.

Appendix II.

Cereals, Flour, and Bread, &c.

Decree of the 24th April, 1865.

Imports by Sea an Land.	Per	Reis.	s.	d.
Entered by Sea.				
Wheat—				
In grain	100 kilos.	600	2	8
In flour	„	800	3	$6\frac{1}{2}$
Maize and rye—				
In grain	„	500	2	$2\frac{1}{2}$
In flour	„	700	3	$1\frac{1}{4}$
Barley and oats—				
In grain	„	400	1	$9\frac{1}{4}$
In flour	„	600	2	8
Entered by Land.				
Wheat—				
In grain	„	200	0	$10\frac{2}{3}$
In flour	„	400	1	$9\frac{1}{4}$
In baked bread	„	500	2	$2\frac{1}{2}$
Maize and rye—				
In grain	„	200	0	$10\frac{2}{3}$
In flour	„	400	1	$9\frac{1}{4}$
In baked bread	„	500	2	$2\frac{1}{2}$
Barley and oats—				
In grain	„	200	0	$10\frac{1}{3}$
In flour	„	400	1	$9\frac{1}{4}$
In baked bread	„	500	2	$2\frac{1}{2}$

Appendix III.

Tobacco.

Law of the 13th May, 1864.

Tobacco, in roll .. pays 1$100 (*4s.* $10\frac{3}{4}$*d.*) on each kilogramme.
„ in leaf .. „ 1$300 (*5s.* $9\frac{1}{4}$*d.*) „
„ cheroots .. „ 2$000 (*8s.* $10\frac{3}{4}$*d.*) „
„ of other kinds manufactured „ 1$600 (*7s.* $1\frac{1}{4}$*d.*) „

Came into force January 1, 1865.

Mr. Lytton to Lord Stanley.

My Lord, *Lisbon, July* 14, 1866.

I STATED in my last half-yearly Report upon the Portuguese Tariff that there is only one thread manufactory in Portugal.* I beg leave to correct that statement.

The very slight reference made to Portuguese manufactures in my above-mentioned Report was purely incidental and cursory, and my statement as to the number of thread manufactories was founded on information which I had every reason to rely upon. That information, however, having since my last Report was written been qualified as doubtful, or probably inaccurate, by the informant from whom I received it, I have applied for further information on the subject to the Government Department for Public Works. The Department has not yet been able to inform me what is the precise number of thread manufactories in this country, and, indeed, the statistics of Portuguese industry are so avowedly incomplete, and difficult to obtain, that I doubt if accurate information about the manufactures of this country can be acquired without personally visiting the various localities in which they are respectively established.

I lose no time, however, in asking permission to recall a statement which I now believe to be erroneous, although I am not yet able to replace it by any other that is officially confirmed, and although the precise number of thread manufactories in Portugal is a question not essentially affecting the general argument in illustration of which allusion to this manufacture was made in my above-mentioned Report.

With reference also to what is said in that Report on the subject of the manufacture of paper in Portugal, I beg to add that I have recently been informed by the working head of the largest and best-conducted paper-mill in this country, that, in his opinion, the exorbitant duties levied under the present Portuguese Tariff upon the import of chemicals which cannot be produced or manufactured in Portugal, more than counterbalances any advantage derived by the Portuguese paper manufacturer from the monopoly of Portuguese rags.

For instance, caustic costing 16*l.* a ton in England, is charged on importation into Portugal with a duty

* See page 3.

amounting to 22*l.* per ton, more, that is, than 100 per cent. The import duty on chlorine, potash, and other chemicals not manufactured in Portugal, or only so badly manufactured as to be unfit for use in the manufacture of paper, is not less heavy. The Portuguese manufacturer is also at present placed under a disadvantage by the difficulty of obtaining coal, except under high duties from England. In short, although, he gets his rags cheaper than the English manufacturer, and although labour is, doubtless, cheaper in this country than in England, it must be borne in mind that the Portuguese manufacturer pays very much dearer than the English for his chemicals, his coal, and his machinery.

Further information on this subject may perhaps furnish a valid argument for the reduction of the export duty on rags, in connection with the reduction or removal of various import duties, whenever the present Portuguese Tariff is under revision with a view to improve commercial relations between Portugal and Great Britain. I should add, however, that the supply of rags has lately diminished in this country, a fact attributable perhaps to the recent civil war in America, and the failure of cotton imports, which has kept old clothes in wear longer than usual among the poorer classes. This has obliged some of the Portuguese paper manufacturers to resort for the first time to the adoption of other materials, such as cane, rush, and, in short, anything that offers to serve as a substitute for rags in the manufacture of paper. Aloe fibres have even been tried, but do not answer, owing to their excess of vegetable matter. The temporary deficiency of material will, however, probably prove beneficial to those concerned in this manufacture, for it has already stimulated experiment, enterprise, and ingenuity; the qualities hitherto least active in all Portuguese industry. At present the home demand for paper is larger than the possibility of supply. A considerably increased expenditure of capital on machinery, material, and labour would, I apprehend, be rapidly remunerated under a more liberal system of import duties. I am daily confirmed in the opinion I have already expressed in various communications with Her Majesty's Government, that home consumption in Portugal is so extraordinarily repressed by the provisions of the present Tariff that it would be instantaneously increased, and is capable of the most extensive development, by a better commercial system.

The simplest mode of enabling me to correct, in my above-mentioned Report, the error to which I have referred, would, perhaps, be (if your Lordship should see no objection to that course) by allowing the present despatch to be considered as an annex or note appended to that document.

I have, &c.
(Signed) RT. LYTTON.

Austria.

Report by Mr. Bonar, Her Majesty's Secretary of Embassy, on Commerce, Industry, &c.

Vienna, July 13, 1866.

It would be idle, or worse than useless, to attempt under the present aspect of affairs in Europe to give an account of the movements of the commerce and industry of the Austrian Empire.

To quote the prices and state of trade prevalent at this moment throughout the Empire, would afford no true criterion of the powers and resources of Austria, and far from being available as a reliable guide for the enterprises of the British commercial community, they might, on the contrary, lead to erroneous inferences, and to speculations based on no permanent or tenable data.

The present state of things has been long foreseen. The storm which has at last burst over devoted Austria, and indeed over the whole of Germany and central Europe, had been menacing for months past, diverting men's minds from all regular business, and forbidding every future enterprise. Disturbance of trade and complete stagnation in all commercial and industrial speculations are universal. There is not a manufactory throughout the Empire that has not gradually dismissed one-half of its customary workmen, nor a tradesman who has not recalled his orders, whilst the military conscription has engulfed for the service of the army the young and able-bodied men of every class.

Under such circumstances prices are necessarily artificial and unstable, and could not serve to guide with advantage the enterprises of foreign merchants.

One remarkable effect is produced by the present abnormal state of the market; namely, the comparative advantage with which, during the prevailing monetary and commercial crisis, the foreigner can purchase in Austria in consequence of the high rate of exchange allowed on foreign bills, especially on London.

The said rate fluctuates of course continually, but stood for a day or two lately at 142 florins for the 10*l.* sterling, whilst 100 florins would represent the par of exchange.

But strangely enough we find here one of those rare conjunctures in which buyer and seller are equally contented and pleased; for the Austrian manufacturer, whose warehouses were over filled with stock on hand, for which, in the present disturbed state of things, no orders could be expected, suddenly gets rid of all his surplus to the foreign speculator allured by the advantageous rate of exchange, the latter requiring, however, to be early in the field, and to secure his profit before the prices in Austria rise in proportion to the value of money.

Such transactions seem to have been carried on of late to a considerable extent, but it is curious to see to what classes of goods they have been particularly directed, and it is difficult to understand why, as appears to have been the case, they should chiefly have effected only the less important branches of commerce and trade.

Thus we find by authentic returns recently published, that to America, India, the Mauritius, China, Java, Japan, Madagascar, and New Zealand, have been quite recently exported unusually large quantities of meerschaum pipes and cigar mouthpieces, with the peculiar native Austrian cherrystick tubes.

To South America, woodwares, such as workboxes, cigar and tobacco cases, cases for gloves and jewellery, ornamented with false silver or bronze.

Harmonicas of little worth or excellence have found a larger sale, as also organs and such like articles. Whilst the export of woollen, mixed woollen, and silk stuffs, Vienna shawls, &c., had been below the average, and the finer wood and leather wares of Austria, though so widely celebrated, have also been little bought in consequence of the increased cost of mother of pearl, ivory, amber, whalebone, &c., with which that peculiar ware is so commonly inlaid or mixed.

Such considerable quantities of the most ordinary kind of matches have been asked for at Constantinople, Athens, Piræus, Smyrna, and Salonica, that the largest establishments of Austria have been unable to meet the unusual demand.

The disturbance of trade and of all regular business has become so universal of late that failures amongst the most considerable commercial houses of Austria are frequent, and the Government have at last been compelled, in order to save the industries of the country from complete ruin, to proclaim in various portions of the Empire, and

especially throughout the province of Bohemia and Moravia, the so-called "Wechsel-Moratorium," or legal prolongation (for certain and various periods) of all bills of exchange.

The confidence in the feats of its heroic army with which Austria entered upon the present war was so complete and universal that no provision had been made for even the possibility of a reverse, and hence to a great degree the misery that has now come over the land. Instead of seeing, as had been confidently expected, a localised war, and even a war carried on in the enemy's country, the Prussians have now overrun and devastated, and are quartered on, the richest of Austria's provinces.

Bohemia being of all portions of the Empire that in which industrial establishments were the most numerous and active, many years of the most favourable circumstances must elapse ere the commerce and trade of Austria can regain the prosperous condition in which they stood a year ago.

Coal Produce of Austria.—The total coal production of Austria in the last five years, and in 1855, was as follows:—

	Steinkohlen (True Coal) of Triassic and Liassic Periods.	Braunkohlen (Lignite) of Eocene and Miocene Periods.	Total.
	Vienna Cwt.	Vienna Cwt.	Vienna Cwt.
1855 ..	21,079,463	16,439,306	37,518,769
1860 ..	34,739,103	27,780,476	62,569,579
1861 ..	40,506,461	32,086,781	72,593,242
1862 ..	45,059,035	36,235,347	81,294,382
1863 ..	45,566,852	36,109,553	81,676,405
1864 ..	45,310,803	37,923,162	83,233,965

18½ Vienna cwt. equal to 1 ton English. The Vienna cwt. is equal to 1·2346 lbs. avoirdupois.

The tertiary coal, or brown coal, and lignite of the Eocene and Miocene periods, is found throughout the provinces of the Austrian Empire, and of a quality which permits of its being employed as fuel in the various branches of industry, namely, for railways, for river steam-navigation, and in most manufactories.

The steamers on the Adriatic, however, employ chiefly British coal, in proportion of two-thirds of British true coal to one-third of Istrian or Dalmatian lignite; whilst their average annual consumption is, for the Imperial navy

10,000 Vienna tons, in Lloyds steamers about the same quantity.

The steamers on the River Elbe, plying between Leitmeritz and Dresden, use exclusively brown coal of Bohemia derived from the district of Aussig.

The Teplitz-Aussig Railway employs for its engines brown coal from the north of Bohemia.

The Southern Railway (Südbahn, Vienna-Trieste, &c.), burns the lignite of Styria.

Gas is extracted from the Bohemian brown coal of Teplitz.

The sugar manufactories and spindles of Northern Bohemia, as also the considerable manufactory of chemicals at Aussig, are worked with brown coal exclusively.

Numerous other examples might be cited.

The coal fields of Fünfkirchen, in Hungary (of the Liassic period), are estimated, in a depth of 200 klafters, or 1,800 feet, a quantity equal to at least 3,000,000,000 of Vienna cwt., or circa 120,000,000 of British tons.

The produce of the Fünfkirchen mines in 1865 was 4,074,221 Vienna cwt.

The total consumption of coal by the Danube Steam Navigation comprised in 1865:—

			Vienna cwt.
Fünfkirchen	Lias coal	Hungary	2,811,675
Steierdorf	,,	Banat	213,811
Koslaer	,,	Military	146,803
Erbenthal	,,	frontier	36,751
Ostaer	,,	Moravia	389,033
Bohemian	,,	..	371,353
Zwickau	,,	Saxony	3,804
British	,,	..	47,875
Reichenburger	Brown coal	Styria	92,401
Total	..	..	4,113,505

The probable amount of coal contained in the Steierdorf veins in Banat, being of the Liassic period, has not been estimated. At present their yearly produce equals circa 3,000,000 of Vienna cwt.

Amongst the works which afford the best and most detailed information relative to the various coal formations, and the produce of Austria and of Germany generally, as well as their qualities and employ, are to be mentioned the following:—"Die Steinkohlen Deutschlands ünd anderen Länder Europas," by Dr. Geinitz (Fleck and Hartig, 1865); "Die Braünkohle ünd ihre

Auwendüng," by Zuiken (Hanover, 1865); "Unterzüchüngen über den Brennwerth der Braün- ünd Steinkohlen der Oesterreichischen Monarchie," by Carl Ritter von Hauer (Vienna, 1862).

Total production of the mines of Austria in 1863 and 1864:—

TOTAL PRODUCTION of the Mines of Austria in 1863 and 1864.

		Vienna Cwts.	Value in Florins	Average price of the Unit at place of production.
				Fls. krs.
Gold ore	1864	159,485	437,665	2 74
„	1863	132,963	292,598	2 20
		Mint lbs.		
Gold	1864	3,598·0227	2,428,665	675 0
„	1863	3,027·5382	2,043,588	
		Cwts.		
Silver ore	1864	2,574,895	3,123,446	1 21
„	1863	998,060	2,824,201	2 82
		Mint lbs.		
Silver	1864	81,926·4929	3,689,744	45 0
„	1863	70,635·8482	3,177,923	
		Cwts.		
Quicksilver ore ..	1864	358,419	419,382	1 17
„ ..	1863	317,654	231,772	0 72
Quicksilver	1864	5,384·50	..	138 0
„	1863	4,451·73	..	112 0
Iron ore	1864	14,771,488	2,272,204	15 4
„	1863	18,599,151	2,967,648	15 9
Pig iron	1864	5,081,389	14,383,739	2 83
„	1863	5,757,065	17,960,858	3 11
Cast iron	1864	615,645	3,382,598	5 49
„	1863	610,603	3,555,928	5 82
Copper ore	1864	1,325,093	1,881,365	1 42
„	1863	1,161,749	1,503,209	1 29
Copper	1864	50,839	2,823,317	55 46
„	1863	46,718	2,635,721	56 80
Copper, vitriol ..	1864	2,931	47,091	16 6
„ ..	1863	3,172	58,106	18 31
Lead ore	1864	133,025	977,363	7 34
„	1863	147,522	1,039,031	7 4
Litharge of lead ..	1864	32,207	349,140	10 83
„ ..	1863	40,453	460,167	11 37
Lead	1864	101,345	1,258,142	12 41
„	1863	95,626	1,255,495	13 23
Nickel and cobalt ores ..	1864	18,833	411,434	21 84
„ ..	1863	16,271	234,661	14 42

		Vienna Cwts.	Value in Florins.	Average price of the Unit at place of production.
				Fls. krs.
Nickel, metal.. ..	1864	79·75	20,180	253 4
„ mixed ..	1864	736·76	39,832	54 6
„ metal.. ..	1863	74·13	20,759	280 3
„ mixed ..	1863	216·82	9,444	43 55
Tin ore	1864	96,760	24,190	0 25
„ .. .	1863	92,306	23,257	0 25
Tin..	1864	462·88	31,843	68 79
„	1863	605·98	44,115	72 79
Zinc ore	1864	267,191	137,626	51 5
„	1863	295,092	136,240	46 1
Zinc	1864	26,917	275,667	10 24
„	1863	23,779	242,182	10 18
Antimony ore ..	1864	10,807	47,324	4 37
„ ..	1863	9,314	46,638	4 68
Antimony	1864	6,217	90,936	22 48
„	1863	5,928	84,510	23 29
Arsenic ore	1864	12,320	5,331	43 3
„	1863	9,893	4,920	49 7
Arsenic	1864	1,784	12.649	7 9
„	1863	1,496	10,810	7 22
Sulphur pyrites ..	1864	377,926	174,229	0 46
„ ..	1863	335,801	162,731	0 48
Sulphur	1864	37,802	206,362	5 45
„	1863	35,085	226,179	6 44
Vitriol of iron ..	1864	72,909	197,598	2 74
„	1863	82,449	216,606	2 62
Uranium ore.. ..	1864	154·48	35,079	227 0
„	1863	85·99	19,721	241 0
Uranium ochre ..	1864	102·1	122,412	1,200 0
„ ..	1863	52·0	54,447	1,047 0
Chromium ore ..	1864	8,604	11,725	1 35
„	1863	17,451	15,649	0 89
Tungsten	1864	50	404	8 80
„	1863	..	..	..
Manganese	1864	8,296	9,403	1 14
„	1863	2,318	2,252	0 97
Graphite	1864	114,825	105,166	0 91
„	1863	130,339	89,734	0 68
Alum	1864	35,465	198,125	5 58
„	1863	35,278	208,983	5 92
Coal (true coal) ..	1864	45,310,803	8,967,035	0 19·7
„ ..	1863	45,566,852	8,864,986	0 19·4
Brown coal (lignite) ..	1864	37,923,162	4,978,162	0 13·1
„ ..	1863	36,109,553	4,956,410	0 13·7
Asphalt	1864	4,042	921	0 22·8
„	1863	3,166	687	0 21·7
Mineral colours ..	1864	900	1,200	1 33
„ ..	1863	25	68	2 75

I inclose a detailed Return of all the mining operations of Austria for the year 1864, drawn up by the Imperial Central Statistical Commission.

Gold and Silver.—Previous to the 1st of May, 1857, all gold and silver produced from the mines of Austria was required to be delivered to the Government authorities in exchange for fixed prices. The abolition of that law has given a fresh impulse to those works, the precious metals being now placed on an equal footing with all other articles of commerce or trade, and accordingly we find the produce of gold and silver in Austria to have increased rapidly, and to have reached the following amount in 1864 :—

	Mint lbs.	Value.
		Florins.
Gold	3,598	2,428,665
Silver .. .	81,926	3,689,744

Against 3,027 lbs. and 70,636 lbs. in 1863.

Ninety-eight per cent. of the above production fell to Hungary and Transylvania.

Whilst during the four preceding decennial periods, from 1823 to 1864, the amount produced was :—

	Gold.	Silver.
	Mint lbs.	Mint lbs.
1823 to 1832	2,505	46,997
1833 to 1842	3,351	53,792
1843 to 1854	3,781	65,084
1855 to 1864	3,181	67,028

In all the above Tables it will be necessary to consider the disturbing influences exercised on all industrial operations in Austria by the political events of 1848-49; of 1854–55 ; and by the Italian war of 1859-60.

The years of the revolution and the wars in Austria are omitted in these Tables.

Quicksilver.—The many ways in which quicksilver is employed as an ingredient in the preparation of chemicals and in other industrial works gives considerable value to its production, and the Austrian Empire is one of the few countries producing this important article in sufficient

quantity to allow of a large exportation of it, after meeting every demand of its own industrial establishments.

The chief produce in Austria is from the mines of Idria, in Carinthia.

The total production of quicksilver in Austria was, in 1863, 4,451 Vienna cwt., and in 1864, 5,384 Vienna cwt., or from Carinthia, 4,475 cwt., Hungary, 579 cwt., Venetia, 330 cwt., at an average price of 138 florins per cwt. at the place, and after deduction of all costs, of production.

The average yearly amount produced during the thirty preceding years has been as follows :—

	Vienna cwts.
1834 to 1843	3,008
1844 to 1853	2,734
1854 to 1863	3,615

The exports and imports of quicksilver during the same period were :—

	Imports.	Exports.
	Vienna Cwts.	Vienna Cwts.
1831 to 1840	..	1,093
1841 to 1850	478	2,091
1851 to 1860	32	2,393
1861	10	2,519
1862	12	1,579
1863	44	4,030
1864	129	3,008

The cinnabar and vermillion produced at Idria are highly esteemed.

Copper.—The copper of Austria is derived principally from the yellow pyrite, and from Fahlerz, and the amount produced in 1864 reached 50,839 Vienna cwt. (of the value of 2,823,317 florins), against 46,718 cwt. in 1863.

The various provinces of the Empire, and the class of works that produced the above, were as follows :—

District.	Government Works.	Private Works.	Total.	Per Cent.
	V. Cwts.	V. Cwts.	V. Cwts.	V. Cwts.
Carinthia	..	65	65	0·1
Tyrol	3,022	909	3,931	7·7
Salzburg	76	2,363	2,439	4·8
Bohemia	..	266	266	0·5
Bukowina	..	373	373	0·8
Hungary	9,483	26,425	35,908	70·6
Transylvania ..	1,812	2,100	3,912	7·7
Venetia	3,890	55	3,945	7·8
Total ..	18,283	32,556	50,839	100

Whilst the produce during the forty preceding years was:—

	Total Produce.
1823 to 1832	38,550 cwts.
1833 to 1842	46,473 „
1843 to 1854	49,764 „
1855 to 1864	44,864 „

The exports and imports of raw and worked copper for the same period were:—

Years.	Raw Copper.		Copper wares, wire, &c.	
	Imports.	Exports.	Import.	Exports.
	V. Cwts.	V. Cwts.	V. Cwts.	V. Cwts.
1831 to 1840 ..	6,913	8,709	30	4,385
1841 to 1850 ..	12,636	10,262	234	5,307
1851 to 1860 ..	28,931	5,756	1,403	5,403
1861 to 1864 ..	28,634	9,211	431	4,958

The imports were mostly from Russia; more recently, also, from America, and only in the finer sorts.

Sulphur.—The produce of sulphur, so important in many branches of industry, is on the increase in Austria, and yielded, for the year 1864, 37,802 Vienna cwt., as follows:—

	Government Mines.	Private Mines.	Per Cent.
	Vienna Cwts.	Vienna Cwts.	Vienna Cwts.
Salzburg	20	..	..
Bohemia	..	10,711	28
West Galicia	24,323	..	64
Croatia	1,681	..	5
Lombardo-Venetia ..	1,067	..	3
Total	27,091	10,711	100

Giving to the State mines 72 per cent., and to private establishments 28 per cent. of the whole production.

Ten years back the proportion was: State mines, 55 per cent.; private, 45 per cent. Whilst the total yield in the four last decennial periods has increased as follows:—

	Vienna Cwts.
1821 to 1830	10,000
1831 to 1840	19,000
1841 to 1850	21,000
1851 to 1860	29.000
1861 to 1863	42,911
1864	37,802

Showing a fourfold increase in the course of forty-three years.

Whilst at the same time the exports and imports of sulphur (the latter principally Sicilian) during the period from 1830 to 1864 were:—

	Imports.	Exports.
	Vienna Cwts.	Vienna Cwts.
1831 to 1840	4,020	5,838
1841 to 1850	13,680	4,926
1851 to 1860	55,464	2,368
1861 to 1863	123,234	1,258
1864	155,674	8,727

Tobacco Monopoly.

The results of the Imperial monopoly of tobacco and cigars in Austria show, for the year 1865, receipts amounting to 54,374,148 florins, against 55,505,487 florins for 1864, or a diminution equal to 2 per cent., or 1,131,339 florins.

	Amount.	Value.
Cigars—	Number.	Florins.
Native manufacture ..	953,402,150	22,314,145
Foreign „ ..	12,564,563	1,174,556
	Cwts.	
Snuff	48,366	5,719,331
Tobacco for smoking ..	526,361	25,166,116
Total	..	54,374,148

Commerce of Austria with China.

Although the direct trade of Austria with the distant ports of China is as yet comparatively insignificant, it is capable of considerable development, as is best shown by the fact of its fourfold increase in the course of the last three years.

Hong Kong, the known seat of the agencies of the British, Peninsular, and Oriental Steam Navigation Company, of the French Messageries Impériales, and the North American, China, San Francisco Steam Navigation Line is, at the same time, the principal emporium of Chinese foreign commerce.

In 1863 only 3 Austrian vessels, registering 2,010 tons, and a complement of 44 men, found their way to the port of Hong Kong.

In 1864, 5 vessels, of 2,648 tons, with 85 men.

In 1865, 12 vessels, of 5,213 tons.

Harvest Prospects for 1866.

The unusually varying temperature of the spring of this year, and the severe cold which occurred so suddenly at the end of May and reached in many parts 4° of Réaumur, have brought upon Austria the dire calamity of an almost universal failure of the principal produce of the soil.

The vine and fruit trees have suffered the most severely, and are said to have perished irretrievably throughout the empire, whilst the former (the vine), it is feared, will be incapable of bearing fruit for two years to come.

Wheat, rye, barley, and indeed every kind of grain, have suffered seriously, and although later accounts, and the effects of some warm rains which immediately followed on the shortlived frost have partially raised the depressed spirits of the agriculturist, yet many portions of the empire are still threatened with scarcity, if not famine.

The most considerable and laudable efforts have been made by the Imperial Government to alleviate the general suffering, and large quantities of seed have been freely granted to the poorer peasantry, especially of Hungary, in the hopes of a more fortunate second crop being in some instances still realized.

The war, however, which is now devastating so large a portion of Bohemia, the richest province of the empire, will complete the ruin of the husbandman, and the worst consequences may be feared.

The Food of Vienna.

It is most curious as well as interesting and instructive to watch the consumption as well as the prices of all principal articles of food in a large capital, and to judge also thereby of the general condition of its people.

The consumption in Vienna is shown by the receipts of the Excise tolls (established at each gate of the town), as follows:—for the years 1850, 1857. and 1864 respectively and comparatively:—

		1850.	1857.	1864.
Beer	Measures	34,513,782	40,656,732	50,386,172
Wine	„	14,045,230	13,695,667	14,182,632
Beef	V. lbs.	36,855,600	40,257,200	43,563,100
Veal	„	9,201,225	10,486,800	10,797,750
Pork and sausages.	„	4,846,900	5,721,700	6,959,550
Mutton and lamb..	„	1,496,510	1,357,700	1,317,640
Game	„	548,296	934,920	1,023,386
Fowl	„	1,187,205	1,732,099	1,367,047
Fish and shell fish	„	1,468,300	1,775,900	1,578,100
Total of meats ..		55,604,036	62,266,319	66,606,573
Flour, bread, &c...	V. lbs.	95,933,600	113,148,200	118,657,600
Bread, meal .. (Wheat and Rye)	„	22,521,600	27,550,900	24,466,600
Farinaceous vegetables	„	3,317,300	3,023,300	3,122,800
Rice	„	1,104,800	1,502,000	1,303,100
Total of farinacea	„	122,877,300	145,224,400	147,550,100
Cheese	„	1,412,400	1,689,900	1,745,800
Butter	„	2,888,200	3,519,600	3,888,300
Pork fat, bacon, &c.	„	6,100,620	7,560,840	7,408,100
Eggs		45,857,287	50,597,605	47,184,000
Fruit	„	16,435,700	26,878,100	28,190,400
Wood, fuel ..	cubic ft.	26,371,872	24,388,560	22,200,912
Coals	V. lbs.	88,486,300	130,505,800	275,641,000

The increase of the population in the meantime was for the same period in the following ratio:—

	Inhabitants: Civil and Military.
1850	461,147
1857	516,105
1864	578,578

Allowing, consequently, per head of the population as follows:—

		1850.	1857.	1864.
Beer	Measures	74·8	78·8	87·1
Wine	„	30·5	26·5	24·5
Beef	V. lbs.	79·9	78·0	75·3
Veal	„	20·0	20·3	18·6
Pork	„	10·5	11·1	12·0
Mutton	„	3·2	2·6	2·3
Game	„	1·2	1·8	1·8
Fowl..	„	2·6	3·4	2·4
Fish	„	3·2	3·4	2·7
Flour and bread ..	„	208·0	219·2	205·1
Corn for bread ..	„	48·9	53·4	42·2
Other Farinacea ..	„	7·2	5·9	5·4
Rice	„	2·4	2·9	2·3
Cheese	„	3·1	3·3	3·0
Butter	„	6·3	6·8	6·7
Bacon, &c.	„	13·2	14·7	12·8
Eggs	..	99·4	98·0	81·6
Fruit	„	35·6	52·1	48·7
Wood, fuel ..	Cubic ft.	57·2	47·3	38·4
Coals	V. lbs.	191·9	252·9	476·4

The average market prices of some of the principal articles above mentioned during the same periods were:—

		1850.	1857.	1864.
		Florins.	Florins	Florins.
Beer, highest price ..	Measure	0·13	0·27	0·28
„ lowest price ..	„	0·12	0·17	0·14
Wine, highest price ..	„	0·48	0·60	0·69
„ lowest price ..	„	0·20	0·27	0·31
Beef, average price ..	V. lb.	0·18	0·22	0·23
Wheat	Bushel	3·35	4·33	3·93
Rye	„	1·98	2·57	2·52

The house hire in Vienna amounted to, in—

	Florins.
1850	15,587,515
1857	21,249,133
1864 nearly	30,000,000

Giving, per head, of the population in—

	Fls.	krs.
1850	36	1
1857	44	6
1864	54	6

Imports and Exports.

The foreign commerce of Austria represented in the year 1840 a total value, in round numbers, of only 174,000,000 of florins (say *circa* 17,400,000*l.* sterling); or imports, 82,500,000 florins; exports, 91,500,000 florins.

From that period to 1863 it had increased in the proportion of 234 per cent.

In 1864, the total value exceeded 555,000,000 florins, or imports, 237,000,000 florins; exports, 318,000,000 florins; total increase in 23 years, 381,000,000 florins; increase on imports, 155,000,000 florins; increase on exports, 227,000,000 florins; excess of exports over imports in 1864, 71,000,000 florins.

According to a Table published in one of the leading commercial papers of Vienna, the average value of the imports amounted, in the following countries comparatively, during the decennial period:—

	Austria.	Zollverein.	France.	Great Britain.
	Florins.	Florins.	Florins.	Florins.
1850 to 1860 ..	264,000,000	659,000,000	748,000,000	2,186,000,000
Per head of the population	8	19	20	75

The increase on imports during that period was as follows:—

	Per cent.		Per cent.
Austria	52	France	57
Zollverein	84	Great Britain	53

During the same period the average value of exports amounted to:—

	Austria.	Zollverein.	France.	Great Britain.
	Florins.	Florins.	Florins.	Florins.
1850 to 1860	275,000,000	664,000,000	880,000,000	1,535,000,000
Per head of the population	8·25	18·5	24	53

The increase on exports during the same period equalled:—

	Per cent.		Per cent.
Austria	140	France	61
Zollverein	81	Great Britain	40·5

The excess of exports increased in the proportion of:—

	Florins.		Florins.
Austria	9,000,000	France	132,000,000
Zollverein	5,000,000	Great Britain ..	651,000,000

The increase of that excess was :—

	Per cent.		Per cent.
Austria	96	France	59
Zollverein	82	Great Britain	46

The average total foreign commerce during 1850–60 equalled :—

	Austria.	Zollverein.	France.	Great Britain.
	Florins.	Florins.	Florins.	Florins.
1850 to 1860	535,000,000	1,323,000,000	1,628,000,000	3,721,000,000
Per head of the population	16	37	44	128

The increase on the total foreign commerce was equal to :—

	Per cent.		Per cent.
Austria	96	France	59
Zollverein	82	Great Britain	47

In the year 1863 the value of the imports and exports amounted to :—

	Austria.	Zollverein.	France.	Great Britain.
	Florins.	Florins.	Florins.	Florins.
Imports	238,000,000	858,000,000	950,000,000	2,490,000,000
Exports	284,000,000	860,000,000	1,136,000,000	1,960,000,000
Excess of Exports ..	46,000,000	2,000,000	186,000,000	..
Total value ..	522,000,000	1,718,000,000	2,086,000,000	4,450,000,000

The inland trade of the Austrian Empire is not as easy of statistical computation as the foreign commerce, the latter being confined to some few large channels of outlet and inlet, but it is estimated as representing a general value of near 3,000,000,000 florins, or 300,000,000*l.* sterling annually.

The detailed Returns of the imports and exports of Austria for the past year, 1865, have been too recently published to enable me to give in this Report more than a general summary of them ; the detailed Tables will follow as a sequel to the present Report.

The total value of the foreign commerce of Austria for 1865 as compared with 1864 was as follows :—

	1865.	1864.	Increase.
	Florins.	Florins.	Florins.
Imports	259,095,299	253,582,803	5,512,496
Exports	349,263,450	341,134,672	8,128,778
Total	608,358,749	594,717,475	13,641,274

And after deduction of the trade in the precious metals raw or coined:

	1865.	1864.	Increase.
	Florins.	Florins.	Florins.
Imports	239,029,435	236,989,371	2,040,064
Exports	333,931,490	318,488,473	15,443,017
Total	572,960,925	555,477,844	17,483,081

A comparison between the two years 1864-65 shows a considerable increase in the imports of coffee, spices, southern fruits of middle quality, garden plants, linseed and rapeseed, skins and hides, train oil, oils, wine, coals, and brown coal, colouring matters, turpentine oil, vitriols, soda, alum, lead, zinc, copper, cotton, flax, hemp, silk, &c., &c.

A diminution of imports in finer fruits of the south, refined sugar, molasses, tobacco in leaf and cigars, prepared fruits, cereals and flour seeds, herrings and codfish, horned cattle, salt, sulphur, raw iron, wool, &c., &c.

In the exports an increase is shown in refined sugar, tobacco leaves, fruits, grain and flour, hops, seeds, oxen, sheep, swine, beer, spirits, and wine, wood fuel, colouring matter, salt, potash, vitriol of iron, lead and zinc, &c.

A decrease of exports in rice, oilseeds, skins and hides, coals and brown coal, tiles and bricks, graphites, &c.

(Signed) A. G. G. BONAR.

Sequel to Report of July 13, 1866.

Exports and Imports.

THE following summary shows the amount of the exports and imports of the principal articles of commerce in Austria (and Dalmatia) for the year 1865.

The total value of the foreign commerce of Austria as compared to 1864 was as follows:—

	1865.	1864.	Increase.
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Total	572,960,925	555,477,844	17,483,081

In the above satisfactory evidence of a regularly improving foreign commerce is particularly to be remarked an increase in the imports of :—

	Amount.		Amount.
	Florins.		Florins.
Silver coins	6,923,480	Raw coffee	654,664
Cotton yarn	5,476,830	Machinery	833,329
Flax and hemp	2,142,974	Silk	608,985
Cetaceous animals ..	1,894,585	Skins and hides ..	557,065
Rape oil	1,077,956	Indigo, &c.	396,110
Olive oil	1,133,221		

Against a diminution of imports in :—

	Amount.		Amount.
	Florins.		Florins.
Cereals and meal ..	3,497,270	Tobacco, leaf	1,732,560
Gold coins	2,527,800	Oxen	1,199,520
Silken goods	2,388,900	Silver, brute	934,648
Sheep wool, raw	2,060,045	Swine's fat	673,040

An increase in the exports is found in :—

	Amount.		Amount.
	Florins.		Florins.
Cereals and flour.. ..	18,485,681	Oxen	1,369,800
Refined sugar and sugar meal	4,241,790	Hungarian tobacco leaf ..	1,144,425
Sheep wool, raw	1,699,230	Silk	533,070
Swine's fat	1,401,293		

Whilst the exports suffered a diminution in :—

	Amount.		Amount.
	Florins.		Florins.
Silver coins	4,911,560	Clothes and millinery, fine and finest	1,788,272
Oil seeds	3,538,440		
Linen goods	2,577,060	Wooden ships, boats, &c.	1,237,320
Gold coins	2,395,800	Skins and hides	972,600
Fancy wares, fine and finest	1,859,600	Woollen goods	953,524
		Linen yarns	915,710

A comparison between the total value of the exports and imports shows an excess of the former of 90,168,151 florins over the latter, and after deduction of the commerce in the precious metals, an excess of 94,902,055 florins.

The above results are principally due to the large exports of the following articles in 1865:—

	Amount.		Amount.
	Florins.		Florins.
Sugar and sugar meal ..	5,381,405	Leather and caoutchouc goods	7,393,752
Grain	22,288,970	Glass and glass wares ..	11,700,172
Flour	6,778,930	Iron goods	4,254,981
Timber..	21,454,610	Metal wares	1,593,978
Sheep's wool	34,764,690	Ship's boats, &c. ..	2,751,720
Silk	5,973,240	Fancy wares	35,771,098
Woollen goods	13,585,568	Lucifers, &c.	2,773,485
Clothes and millinery ..	4,443,225		

The most considerable imports during the same period were:—

	Amount.		Amount.
	Florins.		Florins.
Coffee	16,099,293	Cotton	38,136,950
Cetaceous animals ..	5,544,540	Flax and hemp	7,714,453
Oils	11,805,108	Cotton yarns	18,905,591

The Customs receipts for 1865 amounted, on the principal articles of commerce as named in the above Tables, to:—

	1865.	1864.
	Florins.	Florins.
Imports	12,069,756	12,290,358
Exports	272,523	466,490
Total	12,342,279	12,756,848

Showing a decrease for 1865 of 414,569 florins in consequence of the diminished imports of grain and flour, and of the abolition of the export duties on timber, potash, tartar, silk, and silkwastes, gallnuts, and flour.

The total Customs receipts of Austria for the year 1865 for imports, exports, and all other dues amounted to 13,511,831 florins, or,—

	Florins.
Imports	12,497,345
Exports	291,546
Other dues	722,940
Total	13,511,831

Dalmatia.

The total value of the foreign commerce of Dalmatia amounted in 1865 to 14,295,918 florins :—

	1865.	1864.	Increase.
	Florins.	Florins.	Florins.
Imports	7,523,081	7,509,997	13,084
Exports	6,772,837	5,491,147	1,281,690
Total	14,295,918	13,001,144	1,294,774

The increase in the imports was principally in cotton yarn and cotton goods.

The augmentation shown in the exports was due largely to increased exportation of wine and olive oil.

The total Customs receipts of Dalmatia for 1865 amounted to 274,608 florins, in 1864 255,131 florins, increase in 1865 19,477 florins.

(Signed) A. G. G. BONAR.

Vienna, July 21, 1866.

Italy.

Report by Mr. Herries, Her Majesty's Secretary of Legation, on the Silk Production of Italy.

Florence, July 1866.

The Italian Department of Agriculture and Commerce has recently published a Report on the silk production of Italy during the year 1864, from which the following statement is taken:—

The number of filatures at work in that year was 3,904, of which 344 were moved by steam-power. The quantity of cocoons employed was 1,251,803 myriagrams, of the value of 69,152,618 francs.

The raw silk produced amounted to 91,288 myriagrams, reckoned at 72,927,373 francs. The difference, therefore, between the value of the cocoons and the silk spun from them was 3,774,755 francs.

The average quantity of cocoons spun and of silk thrown in each filature is shown by the following figures:—

Cocoons Spun.

	Myriagrams.	Francs.
By the ordinary method ..	180·8	9,987
By steam	1,767·5	97,637
General average ..	320·6	17,713

Silk Thrown.

	Myriagrams.	Francs.
By the ordinary method ..	13·2	10,575
By steam	128·9	102,974
General average ..	23·4	18,680

The average price of cocoons throughout the Kingdom of Italy was 55 francs 24 centimes per myriagram, and 137·1 kilogrammes were required to give a myriagram of

silk. The silk produced was valued at 798·87 per myriagram.

These were the general conditions of the trade of the whole country, but in different districts they varied considerably, according to the greater or less quantity of cocoons produced, and still more to the degree of care displayed in the treatment of the silkworm.

Lombardy, which is less than one-eleventh of the Kingdom in extent, contributes more than one-half of the total silk production of Italy (45,844 myriagrams of raw silk derived from 664,446 myriagrams of cocoons out of a total of 91,287 myriagrams of raw silk spun from 1,251,803 myriagrams of cocoons), although considerable portions of the province consist of marshy land and Alpine valleys where the mulberry tree cannot thrive.

If in other parts of Italy where the climate is more favourable equal industry were displayed, the whole country might produce four or five times as much as it does at present.

Descending in the scale of production come, after Lombardy, Piedmont, Tuscany, Calabria, Emilia, the Marches, and, lastly, Apulia.

Out of 344 filatures, with 19,268 basins, moved by steam-power, 173, with 11,469 basins, belong to Lombardy. These Lombard steam filatures are on a larger scale than those of Piedmont. They contain a greater number of basins, the average being 66 against 52, and in a mean period of 186 working days, against 78—consume a much larger average amount of cocoons—1,959 myriagrams against 1,688.

On the other hand, the average prices of cocoons in Lombardy and Piedmont respectively being 54 francs 80 centimes and 56 francs 45 centimes, the quantity required to produce a myriagram of silk was greater in the former than in the latter produce—144·9 kilogrammes against 131·8 kilogrammes; while the silk fetched a lower price, 782 francs 45 centimes against 849 francs 88 centimes per myriagram, and the result was a loss of 11 francs 80 centimes in Lombardy instead of a gross profit, as in Piedmont, of 105 francs 87 centimes on every myriagram of silk. This difference is attributed to the inferior quality of the cocoons, and to the comparatively defective products of the small and old-fashioned filatures which are numerous in Lombardy.

The quantity of cocoons of foreign origin included in the total amount of 1,251,803 myriagrams consumed in the Italian filatures in 1864 did not exceed 46,656 myriagrams, of which 40,000 myriagrams were imported from Venetia, and the rest came from Syria and the Archipelago.

The effects of the silk-worm disease in different parts of Italy are shown by the following comparative statement of the quantity and value of raw silk produced before its appearance and in the year 1864. But it is not explained whether for the purpose of comparison the produce of any one year, or the average produce of a series of years in the former period is taken:—

	Before the Disease.		1864.	
	Myriagrams.	Value in Francs.	Myriagrams.	Value in Francs.
Piedmont and Siguria ..	51,517	34,455,000	23,486	19,916,000
Lombardy	130,717	79,737,000	45,844	35,870,000
Parma and Piacenza ..	3,249	2,012,000	988	772,000
Modena, Reggio, and Massa	4,358	2,614,000	608	479,000
Romagna, Marches, Umbria	20,452	12,231,000	5,992	4,829,000
Tuscany	14,000	8,400,000	5,264	4,131,000
Neapolitan Provinces ..	35,200	19,360,000	6,071	4,639,000
Sicily	16,300	8,834,000	3,034	2,291,000
The whole Kingdom ..	275,793	167,643,000	91,287	72,927,000

The result is a deficiency in 1864 amounting to 184,506 myriagrams in quantity, and 94,716,000 francs in value. Diminished production was partially compensated by enhanced prices. Raw silk, which, prior to the appearance of the disease was worth about 600 francs, could be sold in 1864 at 798 francs per myriagram. At the same time, it must be observed, that the annual cost of the silk-worms' eggs which the breeders are obliged under present circumstances to import, exceeds 20,000,000 francs.

The proportion per cent. of the production of 1864 to that of the period when there was no disease, was as follows:—

Modena, Reggio, and Massa	13·9
Neapolitan Provinces	17·2
Sicily	18·6
Romagna, Marches, and Umbria	29·3
Parma and Piacenza	30·4
Lombardy	35·1
Tuscany	37·6
Piedmont and Liguria	45·6
The whole Kingdom	33·1

As compared with the production of 1863, there was a falling off in 1864 of 885,511 myriagrams of cocoons used in the filatures (or 41 per cent.), and of 69,456 myriagrams of silk obtained from them (or 43 per cent.). It appears, therefore, that a greater quantity of cocoons was required to produce a given quantity of silk in the latter than in the former year, and a further loss to the spinners was occasioned by the rise of the price of cocoons from 40 francs per myriagram in 1863 to 55 francs in 1864 (or 35 per cent.), while the price of silk rose only from 665 francs to 798 francs (or 20 per cent.). In 1863, the return on the capital employed was 23 per cent., and in 1864 it amounted only to $5\frac{1}{2}$ per cent.

The total number of filatures at work decreased from 4,487 in 1863 to 3,904. On the other hand, there was an increase of 34 from 320 to 344, in the number of those moved by steam-power.

In point of time, there was in 1864, as compared with 1863, a diminution of 35,773 days' work in the ordinary filatures, and an increase of 20,294 in those moved by steam. The whole reduction was therefore 15,479, a decrease which was not equal in proportion to that of the raw material, and it appears that the production of 100 myriagrams of silk represented the work of 140 days in 1863, and of 230 in 1864.

In 1863, the sum of 87,000,000 of francs was spent in the purchase of cocoons, and raw silk was sold to the amount of 107,000,000.

The corresponding figures for 1864 are 69,000,000 and 73,000,000.

Out of a total annual production of 275,793 myriagrams, valued at 167,643,000 francs, prior to the silk-worm disease, the amount of raw and thrown silk exported was 223,293 myriagrams of the value of 132,997,000 francs :—

In 1864, the total production of raw silk being 91,287 myriagrams of the value of 72,927,000 francs, there were exported 83,000 myriagrams of silk—raw, tram, and organzine—of the value of 66,000,000 francs.

A comparison of the imports and exports of the year 1863 with those of 1864 gives the following results :—

IMPORTS.

	1863.	1864.
	Myriagrams.	Myriagrams.
Raw silk	138,363	109,392
Thrown	43,737	42,355

EXPORTS.

	1863.	1864.
	Myriagrams.	Myriagrams.
Raw and thrown silk ..	255,397	227,324
Waste	146,498	238.295

The raw silk exported does not exceed one-fifth of the production of the country. The whole of it goes to England. For some years past there has no longer been any demand for the white raw silk of Italy in France, where it used formerly to be employed in its natural state in the manufacture of lustrings, ribbon, and lace, as the French manufacturers now prefer the raw silks obtained from perfectly white cocoons imported from the Levant.

About one-half of the total exportation of raw and thrown silk is destined for France. Of the other half, the greater part goes to Switzerland and the Rhine provinces, and the rest to England, Russia, Portugal, Spain and Holland.

The great increase of the quantity of waste silk exported—from 146,498 myriagrams in 1863 to 238,295 in 1864—is explained partly by the fact said to be constantly observed, that with diminished productiveness there is always more waste, but chiefly by declining skill in turning it to account.

The Report concludes with the remark, that if Italy, which stands pre-eminent in the production of raw silk and in the art of throwing, were equally successful in weaving and dyeing, she would not have to lament, as now, in times of scarcity, her inability to make up for the losses arising from natural causes by the profits of industry. As it is, Italy suffers more than other countries which cannot grow the mulberry tree, but where science, skill, and association are applied to the manufacture of foreign silk.

Two Tables are annexed showing: first, the number of

filatures at work, and the quantity and value of the cocoons consumed and of the silk produced in the several divisions of the Kingdom in each of the years 1863 and 1864; and, secondly, the average prices of cocoons and raw silk, the average quantity of cocoons required for the production of a myriagram of silk, and the average profit realized in the same divisions and years.

(Signed) EDWARD HERRIES.

TABLE I.

Territorial Divisions.		Filatures.			Cocoons.			Raw Silk.	Total Value	
		Total Number.	Ordinary.	With Steam Power.	Total.	By Ordinary Method.	By Steam.		Of Cocoons.	Of Raw Silk.
					Myriagrams.	Myriagrams.	Myriagrams.	Myriagrams.	Francs.	Francs.
Piedmont ..	1863	488	410	78	436,005	206,661	229,344	32,992·9	17,261,061	23,429,273
	1864	379	282	97	297,896	134,091	163,805	22,595·6	16,818,997	19,203,719
Liguria ..	1863	37	28	9	8,298	3,798	4,500	721·5	321,130	487,011
	1864	20	13	7	12,456	1,356	11,100	889·5	622,800	711,600
Lombardy ..	1863	2,882	2,717	165	1,269,132	610,687	658,445	92,196·3	50,934,919	60,655,611
	1864	2,630	2,457	173	664,446	325,420	339,026	45,843·3	36,411,540	35,870,437
Emilia ..	1863	80	70	10	68,620	40,956	27,664	5,257·2	2,836,369	3,466,318
	1864	83	72	11	44,072	31,891	12,181	3,358·5	2,398,238	2,656,915
Umbria ..	1863	17	15	2	5,666	2,436	3,230	472·2	257,752	315,192
	1864	7	5	2	2,558	335	2,223	203·3	141,310	166,275
Marches ..	1863	90	67	23	57,705	29,504	28,201	4,893·1	2,622,118	3,344,246
	1864	83	61	22	46,764	22,091	24,673	3,862·4	2,819,708	3,132,831
Tuscany ..	1863	217	204	13	87,156	61,505	25,651	7,005·4	3,613,476	4,644,825
	1864	203	190	13	70,476	56,601	13,875	5,429·9	4,060,081	4,256,096
Abruzzi and Molise	1863	6	5	1	380	188	192	30·	15,289	19,593
	1864	3	2	1	2,175	2,065	110	160·5	104,630	101,115
Campania ..	1863	204	198	6	18,936	16,602	2,334	1,589·3	754,262	1,053,575
	1864	162	157	5	14,731	13,417	1,314	1,064·7	754,120	811,640
Apulia ..	1863	29	29	..	172	172	..	14·3	5,923	7,745
	1864	6	6	..	61	61	..	4·6	3,160	3,320
Calabria ..	1863	234	228	6	110,601	81,906	28,695	9,142·1	4,409,718	5,548,805
	1864	263	256	7	56,702	43,488	13,214	4,841·2	2,974,470	3,722,873
Sicily ..	1863	203	196	7	74,643	33,152	41,491	6,430·1	3,970,648	4,028,247
	1864	65	59	6	39,466	12,982	26,484	3,034·1	2,043,564	2,290,552
The whole Kingdom	1863	4,487	4,167	320	2,137,314	1,087,567	1,049,747	160,744·4	87,002,665	107,000,441
	1864	3,904	3,560	344	1,251,803	643,798	608,005	91,287·8	69,152,618	72,927,373

TABLE II.

Territorial Divisions.		Price of Cocoons per Myriagram.		Quantity of Cocoons used in the Production of 1 Myriagram of Raw Silk.	Price of Raw Silk per Myriagram.		Gross Profit on every Myriagram of Raw Silk.	
		Fr.	c.	Kilogrammes.	Fr.	c.	Fr.	c.
Piedmont	1863..	39	58	132·1	710	13	186	78
	1864..	56	45	131·8	849	88	105	87
Liguria	1863..	38	69	115·0	674	99	230	6
	1864..	50	0	140·0	800	0	100	0
Lombardy	1863..	40	13	137·6	657	90	105	72
	1864..	54	80	144·9	782	45	*	
Emilia	1863..	41	33	130·5	659	34	119	99
	1864..	54	42	131·2	791	10	77	11
Umbria	1863..	45	50	119·9	667	50	121	96
	1864..	55	24	125·8	817	87	122	96
Marches	1863..	45	44	117·9	683	46	147	73
	1864..	60	29	121·0	811	11	81	61
Tuscany	1863..	41	45	124·4	663	3	147	43
	1864..	57	61	129·8	783	83	36	3
Abruzzi	1863..	40	23	126·6	653	10	143	79
	1864..	48	10	135·5	630	0	†	
Campania	1863..	39	83	119·1	662	92	188	55
	1864..	51	19	138 3	762	32	54	2
Apulia	1863..	34	43	120·0	541	61	128	45
	1864..	51	80	132·6	721	73	34	87
Calabria	1863..	39	87	120·9	626	46	144	44
	1864..	52	45	117·1	768	99	154	81
Sicily	1863..	53	20	116·1	626	62	8	97
	1864..	51	78	130·0	754	93	85	99
General average	1863..	40	71	133·0	665	66	125	22
	1864..	55	24	137·1	798	87	41	35

* Loss of 11 fr. 80 c. per myriagram. † Loss of 21 fr. 90 c. per myriagram.

Prussia.

Report by Mr. Lowther, Her Majesty's Secretary of Embassy

Mr. Lowther to Lord A. Loftus.

My Lord, *Berlin, July* 28, 1866.

In conformity with the existing regulations I have now the honour to make to your Lordship my half-yearly Report upon matters of trade and commerce in Prussia, which will be found in the inclosures which I have the honour to transmit herewith.

Inclosure No. 1 contains an abstract of the population of all the countries belonging to the Zollverein according to the census taken in December 1864, and which is to serve for the calculation of the receipts of dues in 1865, 1866, and 1867. The total population amounted to 36,152,824 heads, of which 17,955,220 belong to Eastern and 18,197,604 to the Western Union. Prussia contains 3,717,130 families who are civilians, 12,599,801 persons above 14 years of age, 6,375,337 persons who are under that age, making a total of 18,975,228; who are military 14,474 families, and 279,421 persons: total population 19,255,139 persons, of whom 14,159,432 belong to the Eastern, 5,095,707 to the Western Union.

According to a provisional calculation as to receipts in common from transport dues on wine, must, tobacco leaves and manufactures, there was levied on wine and must the sum of 106,393 thalers (15,809*l.*), on tobacco leaves and tobacco manufactures 120,313 thalers (18,046*l.*). The total sum for division 226,982 thalers (34,047*l.*), of which Prussia received 156,886 thalers (23,531*l.*).

The provisional calculation with regard to the common duty on brandy shows that the total receipts from the brand tax amounted for 1865 to 11,553,867 thalers (1,733,080*l.*), and the transit dues for the same period to 9,853 thalers (1,478*l.*). After deducting for defects of

registration, compensations, back payments, &c., there remained for division the sum of 9,145,684 thalers (1,871,855*l.*), of which sum Prussia and those States and countries in close union with her received the sum of 7,773,745 thalers (1,166,069*l.* 15*s.*).

Inclosures Nos. 2 and 3 show the receipts of the Zollverein from the tax upon beet-root sugar from the 1st of January to the end of December 1865. It will be seen that according to the provisional calculation there were in employment 295 factories, of which 252 were in Prussia: 25,695,694 centners of fresh beet roots were used, and the tax upon beet-root sugar inclusive of register defects, deduction of back payments, and expenses of administration, amounted to 6,148,304 thalers (922.245*l.*), of which Prussia receives 3,252,144 thalers (487,821*l.*)

In comparing the two accounts of the amount of land used for the cultivation of tobacco in the States of the Zollverein in 1863 and 1864, it will be seen that there was a slight increase in 1864, for there were used for the cultivation 92,914 Prussian morgen (in Prussia about 28,154 morgen), the amount of tobacco obtained from the dried leaves was 676,140 centners (in Prussia 185,423 centners), the yields were on an average about 7·28 centner per morgen. The prices fluctuated between 2 and 16 thaler per centner.

The gross receipts of the Zollverein in 1865 amounted to 23,991,085 thalers, from import dues 23,923,365 thalers, from export dues 991,085 thalers. In comparison with the previous year there was a diminution in the receipts from import dues of 445,749 thalers, and from export dues of 95,507 thalers, making a total of 541,256 thalers (81,188*l.*). The share of the amount of receipts which comes to Prussia when the division has been made is 10,826,271 thalers (1,623,940*l.*).

Inclosure No. 7 contains a summary of the vessels which arrived at and left Prussian harbours in 1865, including steamers; this Table gives the number of vessels which arrived at or sailed from Prussian ports in 1864 and 1865, showing the increase or decrease, as well as the number of lasts: it also states whether they were in ballast or laden. There was a decrease in 1865 of 470 vessels with 37,114 lasts in ballast; in all other respects there was an increase.

A Report has been published upon the expenses of

levying the duties in the Zollverein and for watching the frontier in 1865, from which it appears that the total amount was 2,839,632 thalers (425,944*l.*), the frontier extending over 1081$\frac{31}{40}$ German miles. Of which there falls to Prussia's share 1,153,174 thalers with a frontier of 588$\frac{3}{4}$ miles, to Luxemburg 107,607 thalers with a frontier of 27 miles, to Bavaria 380,218 thalers with a frontier of 153$\frac{1}{4}$ miles, to Saxony 103,309 thalers with a frontier of 68 miles, to Hanover 526,863 thalers with a frontier of 140 miles, to Baden 347,621 thalers with a frontier of 67$\frac{4}{10}$ miles, to Oldenburg 113,949 thalers with a frontier of 33$\frac{1}{8}$ miles.

A Return has also been made of the share of each State of the Zollverein in the general receipts of the Zollverein in 1865, according to which Prussia received at the rate of 52 per cent. of the import dues, at the rate of 80 per cent. of the export dues in the eastern parts of the Zollverein, and 26$\frac{1}{2}$ per cent. in the western parts; after Prussia come Bavaria and Hanover.

Inclosure No. 8 contains a detailed account of the business done in Prussian post offices in 1865, showing the amount of letters forwarded, the number of parcels and their value, together with details of the number of officials employed.

According to the Report upon the mines, foundries, and salines, it appears there were produced in the Zollverein in 1864, from the coal pits, 388,179,637 centners of coals, 124,078,356 centners of brown coal (Bovey), 52,400,407 centners of iron ore, 703,650 centners of gold and silver ore, 3,398,944 centners of lead ore, 3,122,785 centners of copper ore, 6,265,983 centners of zinc ore, besides other products, making a total of 578,966,407 centners, of which Prussia produced 463,846,947 centners. The total amount of works was 4,788, of which there were in Prussia 2,313.

In the smelting establishments there were produced 16,162,897 centners of raw iron in streaks or veins, 790,114 centners of raw steel iron, 1,140,150 centners of casting ware from ore, 3,814,737 centners of casting ware from raw iron, 3,286,708 centners of bar iron and rolled iron, 1,386,000 centners of iron plate, 701,342 centners of iron wire, 1,427,179 centners of steel, 84,276 lbs. of gold, 148,689 lbs. of silver, 713,163 centners of lead ("kaufblei"), 74,140 centners of litharge, 15,892 centners of lead plates,

66,768 centners of rose copper, 52,895 centners of wrought copper, 43,402 centners of brass, 1,184,956 centners of sheet or bar zinc, 349,509 centners of zinc plates, &c., making a total of 37,389,783 centners in 1,744 works, of which 1,177 were in Prussia.

The saline works produced 4,093,753 centners of rock salt, 5,667,613 centners of common salt (for cooking), 186,805 centners of black and yellow salt, 149,034 centners of manure gypsum ("Düngegyps"), making a total of 10,097,205 centners in 85 works, of which in Prussia there were 2,130,054 centners of rock salt (at three works), and 2,397,629 centners of common salt from seventeen works.

The details of the harvest of 1865 in Prussia will be found in Inclosure No. 9, and Inclosure No. 10 contains an account of the wool sold and the prices paid for it at Prussian wool markets, also in 1865; to these I have added, as it might be of interest, a detailed account of the business done in Prussian telegraphs during 1864.

Information relative to the excise duties raised upon tobacco, beet-root sugar, and distilleries in Prussia will be found in Inclosure No. 12, and its sub-inclosures, relative to the cultivation of the tobacco in Prussia in 1864, and also relative to the cultivation of the vine in 1864; and statistics of the breweries in Prussia, and in those countries and parts of the Zollverein whose Governments share in common the transport dues on beer with Prussia for 1864, in Nos. 13, 14, and 15.

In Inclosure No. 16 will be found an account of the production and consumption of sugar in the Zollverein, and in the sub-inclosnres an account of the receipts of the Zollverein from the importation of sugar and from the duty on beet-root sugar home-made during the period from 1845 to 1864, and of the amount of beet-roots used in the Zollverein for the manufacture of sugar from September 1864 to the end of August 1865.

As Her Majesty's Government was last year anxious to obtain information upon the subject of the import and export of coal into and out of Prussia, as well as the amount produced in Prussia, I have included that subject in my Report; the information contained in it having been taken from an official source.

I have, &c.

(Signed) W. LOWTHER.

(No. 1.)—ABSTRACT of the Population of all the States forming the Zollverein, according to the Census taken in December 1864, and forming the basis of the calculation of the common Receipts of the Zollverein for the Years 1865, 1866, and 1867.

Denomination of States of the Verein.	(A.) According to calculation of the Local Authorities with regard to Civilians.						(B.) According to calculation with regard to Military Persons.						Total Population.	Of the Eastern Union.	Of the Western Union.
	Number of Families.	Men and Youths above 14 years of age.	Women and Maidens above 14 years of age.	Children under 14 years.		Amount of Inhabitants. Civilians.	Number of Families.	Men and Youths above 14 years of age.	Women and Maidens above 14 years of age.	Children under 14 years.		Total of Inhabitants. Military.			
				Male.	Female.					Males.	Females.				
1. Kingdom of Prussia	3,799,223	6,253,527	6,603,704	3,274,895	3,234,318	19,366,934	14,893	234,478	20,473	10,710	10,359	276,020	19,642,954	14,331,156	5,311,798
Luxemburg	40,699	68,456	68,146	32,665	32,415	201,682	186	664	242	171	178	1,255	202,937	...	202,937
2. Kingdom of Bavaria	1,226,637	1,615,161	1,752,390	655,337	672,106	4,694,994	4,205	111,792	2,877	1,687	1,726	118,082	4,813,076	...	4,813,076
3. Kingdom of Saxony	491,839	770,738	811,841	379,322	382,093	2,343,994	...	...	...	...	...	...	2,343,994	2,343,994	...
4. Kingdom of Hanover	406,333	647,318	660,835	321,909	313,027	1,943,089	79	390	132	79	82	683	1,943,772	...	1,943,772
5. Kingdom of Wurtemberg ...	374,582	595,262	646,641	248,978	257,447	1,748,328	...	...	...	...	...	...	1,748,328	...	1,748,328
6. Grand Duchy of Baden	276,216	485,068	513,485	213,329	210,419	1,422,241	...	3,092	81	25	39	3,237	1,426,218	...	1,426,218
7. Electorate of Hesse	158,313	229,681	254,971	113,307	110,813	708,772	860	5,212	1,376	763	766	8,117	716,889	...	716,889
8. Grand Duchy of Hesse	182,966	294,341	309,186	132,077	131,115	866,719	32	125	46	29	25	5,120	871,839	...	871,839
9. States of Thuringian Verein ...	244,163	365,861	387,915	173,220	171,519	1,098,515	285	4,072	452	240	251	5,015	1,103,530	1,103,530	...
10. Duchy of Brunswick	62,582	92,363	94,100	41,759	40,301	268,523	...	...	...	...	...	...	268,523	176,540	91,983
11. Grand Duchy of Oldenburg ...	50,092	83,482	83,599	39,060	38,144	244,285	1	119	1	1	1	122	244,407	...	244,407
12. Duchy of Nassau	113,411	161,073	159,438	74,561	73,239	468,311	...	...	...	...	...	...	468,311	...	468,311
13. Free Town of Frankfort A/M ...	14,930	37,310	35,583	8,627	8,576	90,096	60	924	109	25	26	2,148	92,244	...	92,244
Total Population	7,441,986	11,699,581	12,381,834	5,709,046	5,675,532	35,466,483	20,601	360,868	25,789	13,730	13,453	419,799	35,887,022	17,955,220	17,931,802
Amount of share of common receipts—															
A. States of Verein, exclusive of Frankfort	...	...	...	...	...	...	...	...	...	...	...	...	35,794,778	17,955,220	17,839,558
B. For the Town of Frankfort.	...	...	...	...	...	...	...	...	...	...	...	...	358,046	...	358,046
Total	...	...	...	...	...	...	...	...	...	...	...	...	36,152,824	17,955,220	18,197,604

(No. 2.)—RECEIPTS of the Zollverein from the Tax upon Beet-root Sugar, and Division of the same, in the Period from 1st January to 31st August, 1865.

States of the Verein.	Number of Factories in Employment.	Population.	Fresh Beet-root used, from 1st January to 31st August.	Amount of Duty on Sugar after Deduction of Indemnification and Cost of Administration, in Thalers.	Share of each State of the Zollverein according to Population.	There remain	
						To be Paid.	To be Received.
			Centners lbs.	Thalers.	Thalers.	Thalers.	Thalers.
1. Prussia	234	18,867,061	15,524,210 77	3,534,002	2,156,926	1,377,076	...
and Luxemburg ...	...	197,731	...	...	22,605	...	22,605
2. Bavaria	4	4,695,424	140,040 0	33,116	536,792	...	503,676
3. Saxony	1	2,225,240	44,481 0	10,119	254,395	...	244,276
4. Hanover	1	1,908,631	43,250 0	8,053	410,401	...	402,348
5. Würtemberg ...	6	1,720,708	472,400 75	112,897	196,715	...	83,818
6. Baden	1	1,365,732	696,630 0	172,367	156,134	16,233	...
7. Electoral Hesse ...	1	710,680	16,946 0	3,602	81,246	...	77,644
8. Grand Ducal Hesse	...	874,487	...	...	99,974	...	99,974
9. Thuringia	2	1,069,821	92,264 0	21,808	122,304	...	100,496
10. Brunswick	18	257,624	1,385,849 80	311,655	29,452	282,203	...
11. Oldenburg	...	238,562	...	...	51,297	...	51,297
12. Nassau	...	454,326	...	...	51,940	...	51,940
13. Frankfort A/M ...	...	327,477	...	...	37,438	...	37,438
Total	268	34,913,504	18,416,072 32	4,207,619	4,207,619	1,675,512	1,675,512

(No. 3.)—PROVISIONAL CALCULATION of Common Receipts from Tax on Beet-root Sugar in Period from 1st September to 31st December, 1865.

States of the Verein.	Number of Factories in active employment.	Population.	Number of Fresh Beet-roots used from 1st September to end of December 1865.	Amount of Tax upon Beet-root Sugar including Defects of Registration, Payment of Drawbacks, &c.	Share of each State according to Population.	There remain	
						To be Paid.	To be Received.
			Centners lbs.	Thalers.	Thalers.	Thalers.	Thalers.
Prussia	252	19,642,954	22,075,038 0	5,282,122	3,252,144	2,029,978	...
and Luxemburg ...	...	202,937	...	...	33,599	...	33,599
2. Bavaria	5	4,813,076	217,310 3	52,289	796,867	...	744,578
3. Saxony	1	2,343,994	49,750 0	11,822	388,079	...	376,257
4. Hanover	3	1,943,772	175,320 0	40,624	481,035	...	440,411
5. Würtemberg ...	6	1,748,328	698,828 0	171,686	289,458	...	117,772
6. Baden	1	1,426,218	158,149 0	38,365	236,129	...	197,764
7. Electoral Hesse ...	1	716,889	28,209 50	6,704	118,690	...	111,986
8. Grand Ducal Hesse	...	871,839	...	...	144,344	...	144,344
9. Thuringia	2	1,103,530	125,175 50	30,612	182,704	...	152,092
10. Brunswick	24	268,523	2,167,914 0	514,080	44,457	469,623	...
11. Oldenburg	...	244,407	...	...	60,484	...	60,484
12. Nassau	...	468,311	...	...	77,535	...	77,535
13. Frankfort A/M ...	...	358,046	...	...	42,779	...	42,779
Total	295	36,152,824	25,695,694 0	6,148,304	6,148,304	2,499,601	2,499,601

(No. 4.)—ABSTRACT of the Amount of Land used for the Cultivation of Tobacco, the Yield and Price of Tobacco, in the States of the Zollverein, in 1863.

States of the Verein.	Arable Land.	Planted with Tobacco.	Amount of Tobacco obtained in Dried Leaves.			Prices per Centner of Dried Leaves.		
			Total.	Highest and Lowest Yield per Morgen.		Highest.	Middling.	Lowest.
	P. Morgen.	Pr. M.	Centner.	Ctr.	Ctr.	Th.	Th.	Th.
1. Prussia—								
East Prussia	*	764	5,494	16	2·5	17	10	3
West Prussia	2,210,039	1,666	11,267	12	3·5	8½	6¼	4½
Posen	2,748,144	1,278	5,702	5·88	2	7 3/10	6 29/30	4 24/30
Pomerania	2,960,551	4,913	35,792	12	2	10	5	2
Silesia	2,332,065	3 209	24,356	11	3	10	6⅓	2⅔
Berlin ...	...	...	...	...	...	...	...	...
Brandenburg—								
(1.) Potsdam	1,146,391	6,777	47,008	12	1	10	7	4
In which is included— Rossow, Retzebund, and Schöneberg	5,652	2	6	7·5	1·8	...	...	...
(2.) Frankfort	2,090,680	2,012	10,113	7	2	9⅔	7⅔	5⅔
Saxony	965,297	2,959	21,662	7·3		...	6	...
In which is included— Calvörde in Brunswick ...	13,459	388	2,776	7·2		...	7⅓	...
Westphalia	76,330	15	155	18	2	13½	9¼	5
The Rhine	455,825	2,212	23,058	21·6	3·15	16	9	3
Total	...	25,835	184,607	7·15		...	...	...
Anhalt-Dessau-Köthen	50,856	849	4,438	5·3		...	6⅔	...
Anhalt-Bernberg	13,231	1	4	5		...	7	...
Allstedt and Oldisleben	16,085	73	753	10·3		...	6½	...
Schwarzburg-Rudolstadt	26,160	796	6,554	8·2		...	6	...
Meisenheim	7,495	26	293	12·10		...	10⅓	...
Total 1	...	27,580	196,649	7·13		...	...	...
Luxemburg	...	...	...	...		...	...	...
2. Bavaria	11,790,905	18,850	156,485	14	4·66	8 13/43	6 11/30	4 23/30
3. Saxony	337,658	118½	1,583	13·51		20	4⅔	2
4. Hanover	†	2,144	14,175	6·79		10	7 2/7	4
5. Wurtemberg	165,679	673	4,351	6·47		...	6⅓	...
6. Baden	683,542	29,468	258,049	36	1·5	13 4/10	7 3/10	1 4/10
7. Electoral Hesse	68,460	886	11,272	17	6	7⅔	6⅔	5½
8. Grand Ducal Hesse	†	3,844	33,702	8½		†	†	†
9. Thuringian Verein	99,736	750	5,747	16	3	9	6	3
10. Brunswick	†	2½	27	13·2	3 73	9	6⅓	4
11. Oldenburg	...	...	...	...	...	...	...	...
12. Nassau	698,306	123 1/8	7	...	...	...	17 4/30	...
13. Frankfort A/M	†	¾	4	5⅓		...	10 7/9	...
Total 2 to 12 ...	...	56,737	485,402	8·56		...	...	...
To which has to be added— Prussia	...	27,580	196,649	7·13		...	...	...
Total	...	84,317	682,051	8·09		...	...	...

* Amount uncertain. † Amount not given.

(No. 5.)—ABSTRACT of the Amount of Land used for the Cultivation of Tobacco, the Yield and Price of Tobacco, in the States of the Zollverein in 1864.

States of the Verein.	Arable Land of Persons who Cultivate Tobacco.	Used for Cultivation of Tobacco.	Amount of Tobacco obtained in Dried Leaves.			Price per Centner of Dried Leaves.		
			Total.	Highest and Lowest Yield per Morgen.		Highest.	Middling.	Lowest.
	P. Morgen.	Pr. M.	Centner.	Ctr.	Ctr.	Th.	Th.	Th.
1. Prussia —								
East Prussia	6,930,265	788	5,149	16	1	14	8½	3
West Prussia	2,342,081	1,894	10,988	10	3	9	7½	3
Posen	2,728,013	1,508	6,665	6	2·85	8⅝	c. 4	3⅝
Pomerania	2,974,004	5,511	34,113	10	1	10	5	2
Silesia	2,332,065*	3,480	20,096	11	3	10	5¾	3
Berlin	...	...	...	...	...	...	...	...
Brandenburg—								
District Potsdam	1,039,693	6,968	50,691	11	0·5	10½	6½	2
In which is included—								
Rossow, Retzebund, and Schöneberg	5,652	2½	8	5·4	1·8	...	...	...
Frankfort	2,113,244	2,262	10,347	8	2	10	6½	3
Saxony	951,491	3,360	24,072	7·2		...	5½	...
In which is included—								
Calvörde	13,459	378	3,169	8·4		...	5	...
Westphalia	74,098	15	150	24·7	1·8	11	...	4
The Rhine	445,657	2,368	23,152	30	2	16	9	4
Total	21,930,611	28,154	185,423	6·59		...	...	...
Anhalt	52,330	837	4,516	5·4		...	5	...
Allstedt and Oldisleben	16,085	100	1,093	11		...	5½	...
Schwarzburg-Rudolstadt	25,281	877	7,503	8		...	5½	...
Meisenheim	7,495	38	337	11	8	9½	9	8
Total 1...	22,031,802	30,006	198,872	6·60		...	...	...
Luxembourg	...	...	...	...		...	...	...
2. Bavaria	11,790,905	21,504	140,328	26·88	2·24	14 $\frac{26}{100}$	6 $\frac{28}{30}$	2 $\frac{28}{30}$
3. Saxony...	340,609	106	1,088	36	6·6	10	5½	2
4. Hanover	†	2,430	17,092	12	2	12	...	2
5. Wurtemberg	127,126	732	8,197	11·2		8 $\frac{17}{30}$	6 $\frac{17}{30}$	5 $\frac{4}{30}$
6. Baden	712,965	31,465	257,973	24	4	12	6 $\frac{8}{30}$	2 $\frac{12}{30}$
7. Electoral Hesse	78,790	915	11,401	15	4	6½	5 $\frac{8}{30}$	4½
8. Grand Ducal Hesse	1,600,513	5,007	35,878	12	4	9 $\frac{4}{30}$	8 $\frac{7}{30}$	6½
9. Thuringian Verein	155,335	747	5,286	10·5	4	8	5½	3
10. Brunswick	†	1 $\frac{17}{180}$	16	16·65	7·5	8½	5 $\frac{3}{4}$	3
11. Oldenburg	...	...	...	...	...	...	...	...
12. Nassau...	698,306	0 $\frac{143}{180}$	5	...	...	...	11 $\frac{13}{30}$	...
13. Frankfort A/M	21,631	0·594	3½	2 $\frac{4}{5}$		...	7 $\frac{2}{30}$	...
Total 2 to 13	...	62,908	477,268	7·59		...	...	...
To which has to be added— Prussia, &c., 1 ...	...	30,006	198,872	6·60		...	...	...
Total	...	92,914	676,140	7·28		...	...	...

* Amount of morgen in 1863; the amount for 1864 not yet given. † Not given.

(No. 6.)—*Receipts of the Zollverein in the first two Quarters of* 1865.

The receipts from import and export dues amounted, in the first half-year of 1865, to 10,836,147 thalers, and the receipts from the same dues for the same period in 1864 amounted to 11,476, 372 thalers; thus there was in

1865 a decrease in receipts to the amount of 640,225 thalers, and to about 6 per cent.

The decrease in the amount of dues taken during the first half-year of 1865 might have been owing to the fact that there was to be a reduction of duties on the 1st of July, and it was expected that there would be an increase in the amount of dues paid after that period. The principal articles in which there was a diminution of dues were more particularly wine in casks, as well as in bottles; there was a considerable falling off in silk and half-silk wares, cotton wares, and woollen wares, including woollen yarn of all sorts; there was a decrease, in a less degree, in wrought iron, very coarse iron wares, grain, building and other timber, brandy of all sorts, raw and bleached linen yarn, linen, meat, dried and other southern fruits, and some other articles.

With regard to the increase in dues this took place only in raw iron, coarse iron goods, raw coffee, shelled rice, unwrought tobacco leaves, coals, and lean swine, all to a small extent.

Comparison of the Common Receipts of the Zollverein from Import and Export Dues, in the first half-year of 1865 with the same Period of 1864.

States of the Verein.	Import Dues.		Export Dues.		Total.			
	In first Half-year, 1865.	In first Half-year, 1864.	In first Half-year, 1865.	In first Half-year, 1864.	In first Half-year, 1865.	In first Half-year, 1864.	In first Half-year, 1865. More.	In first Half-year, 1865. Less.
	Rixthalers.	Rixthalers.	Rixthalers.	Rixthalers.	Rixthalers.	Rixthalers.	Rixthalers.	Rixthalers.
1. Prussia	6,310,902	6,460,661	8,773* 13,329†	15,701* 15,635†	6,333,004	6,491,997	..	158,993
Luxemburg	62,668	70,504	965	1,143	63,633	71,647	..	8,014
2. Bavaria	610,869	645,415	7,186	5,566	618,055	650,981	..	32,926
3. Saxony	1,018,517	1,256,332	3,856	5,262	1,022,373	1,261,594	..	239,221
4. Hanover	884,216	940,097	2,127	4,681	886,343	944,778	..	58,435
5. Wurtemberg	196,021	213,757	814	1,467	196,835	215,224	..	18,389
6. Baden	481,159	525,755	5,034	8,659	486,193	534,414	..	48,221
7. Electoral Hesse	177,058	168,815	299	561	177,357	169,376	7, 81	..
8. Grand Ducal Hesse	241,910	237,960	1,038	1,231	242,948	239,191	3, 5	..
9. Thuringia	136,809	149,036	159	35	136,968	149,071	..	12,103
10. Brunswick	116,510	133,919	16*	49*	116,526	133,968	..	17,442
11. Oldenburg	98,198	103,686	100	111	98,298	103,797	..	5,499
12. Nassau	46,664	46,091	83	97	46,747	46,188	559	..
13. Frankfort-on-the-Maine ..	394,053	437,465	16,814	26,681	410,867	464,146	..	53,279
Total	10,775,554	11,389,493	60,593	86,879	10,836,147	11,476,372	12,297	652,522
								12,297
								640,225

* Eastern Union. † Western Union.

Receipts of the Zollverein in the first three Quarters of 1865.

The receipts from import and export dues amounted in the first three quarters of 1865 to 17,240,664 thalers; in the same period in 1864 to 17,602,751 thalers; so that there was a falling-off in receipts of 362,087 thalers.

As regards the working of the new Tariff it can hardly be considered as having been satisfactory, though the receipts from dues on silk and half-silk goods, and woollen goods, of all sorts, were considerable. The receipts from wine were not unimportant, and those from brandy were less important. There was an increase of receipts, chiefly from raw iron, of all sorts, and old iron, as well as from raw coffee, and there was a small increase of receipts from unwrought tobacco leaves and stalks, swine, treacle, beer, and some articles of less importance.

Comparison of Receipts in first three Quarters of 1864 and 1865.

States of the Verein.	Import Dues.				Export Dues.				Total.			
	In 1st to 3rd Quarter, 1865.	In 1st to 3rd Quarter, 1864.	In 1st to 3rd Quarter, 1865. More.	In 1st to 3rd Quarter, 1865. Less.	In 1st to 3rd Quarter, 1865.	In 1st to 3rd Quarter, 1864.	In 1st to 3rd Quarter, 1865. More.	In 1st to 3rd Quarter, 1865. Less.	In 1st to 3rd Quarter, 1865.	In 1st to 3rd Quarter, 1864.	In 1st to 3rd Quarter, 1865. More.	In 1st to 3rd Quarter, 1865. Less.
	Rixthalers.	Rixthalers.	Rixthalers.	Rixthalers.	Rixthalers.	Rixthalers.	Rixthalers.	Rixthalers.	Rixthalers.	Rixthalers.	Rixthalers.	Rixthalers.
1. Prussia	10,022,024	10,072,903	...	50,879	9,996* 13,668†	21,418* 28,094	...	11,422* 14,426†	10,045,688	10,122,415	...	76,727
Luxemburg	93,546	100,210	...	6,664	1,017	1,767	...	750	94,563	101,977	...	7,414
2. Bavaria	949,436	988,866	...	39,430	7,199	11,455	...	4,256	956,635	1,000,321	...	43,686
3. Saxony	1,871,008	1,860,132	10,876	...	3,858	6,937	...	3,079	1,874,866	1,867,069	7,797	...
4. Hanover	1,407,161	1,440,515	...	33,354	2,297	9,299	...	7,002	1,409,458	1,449,814	...	40,356
5. Wurtemberg	263,240	294,412	...	31,172	814	1,826	...	1,012	264,054	296,238	...	32,184
6. Baden	667,294	766,726	...	99,432	4,988	15,167	...	10,179	672,282	781,893	...	109,611
7. Electoral Hesse ...	276,568	259,684	16,884	...	299	1,061	...	762	276,867	260,745	16,122	...
8. Grand Ducal Hesse ...	384,757	376,868	7,889	...	1,040	2,433	...	1,393	385,797	379,301	6,496	...
9. Thuringia	224,480	223,044	1,436	...	159	43	116	...	224,639	223,087	1,552	...
10. Brunswick	182,455	198,694	...	16,239	16*	49	...	33*	182,471	198,743	...	16,272
11. Oldenburg	157,973	156,489	1,484	...	103	162	...	59	158,076	156,651	1,425	...
12. Nassau	71,914	73,974	...	2,060	83	299	...	216	71,997	74,273	...	2,276
13. Frankfort-on-the-Maine	606,457	654,135	...	47,678	16,814	36,089	...	19,275	623,271	690,224	...	69,953
Total	17,178,313	17,466,652	38,569	326,908 38,569	62,351	136,099	116	73,864 116	17,240,664	17,602,751	33,392	395,479 33,392
				288,339				73,748				362,087

* Eastern Union.

† Western Union.

Receipts of the Zollverein and Division of the same in 1865.

According to the provisional calculation for 1864, the receipts of the Zollverein for that year were, from import dues, 24,369,114 thalers, and from export dues, 163,227 thalers, making a total of 25,532,341 thalers. According to the provisional calculation for 1865 the receipts in that year were, from import dues, 23,923,365 thalers; from exports dues, 67,720 thalers; making a total of 23,991,085 thalers.

In comparing the receipts of the two years it will be found that there was a falling-off in the import dues to the amount of 245,749 thalers, and in the export dues to the amount of 95,507 thalers, and a common total decrease to the amount of 541,256 thalers.

I.—Import Dues.

States of the Verein.	Population.	Total Amount of Common Gross Receipts.	To be deducted for Expense of Levying Dues, and other Expenses.	There remain for Common Division.	Share of each State according to Agreement.	There are—	
						To be Paid.	To be Received.
		Rths. sg. pf.	Rths. sg. pf.	Rixthalers.	Rixthalers.	Rixthalers.	Rixthalers.
1. Prussia	19,642,954	13,684,586 10 5	1,140,126 0 0	12,531,412	10,798,357	1,733,055	..
			13,047 24 7				
Luxemburg	202,937	123,463 6 0	107,607 0 0	15,856	111,561	..	95,705
2. Bavaria	4,813,076	1,364,087 16 10	379,787 0 0	983,869	2,645,901	..	1,662,032
			431 10 0				
3. Saxony	2,343,994	2,669,631 2 10	163,309 0 0	2,506,322	1,288,568	1,217,754	..
4. Hanover	1,943,772	1,946,318 22 4	519,481 0 0	1,419,455	2,097,456	..	678,001
			7,382 8 11				
5. Wurtemberg	1,748,328	455,845 3 5	21,030 0 0	434,650	961,111	..	526,461
			165 6 0				
6. Baden	1,426,218	1,061,437 25 5	333,521 0 0	713,817	784,037	..	70,220
			14,100 0 0				
7. Electoral Hesse	716,889	375,603 25 0	..	375,604	394,097	..	18,493
8. Grand Ducal Hesse	871,839	616,559 7 5	9,355 0 0	506,919	479,278	27,641	..
			285 6 0				
9. Thuringia	1,103,530	312,251 26 0	..	312,252	606,645	..	294,393
10. Brunswick	268,523	253,556 18 10	..	239,795	147,616	92,179	..
			13,761 28 10				
11. Oldenburg	244,407	239,139 0 6	113,698 0 0	125,190	263,731	..	138,541
			251 10 3				
12. Nassau	468,311	98,677 16 7	2,180 0 0	96,384	257,445	..	161,061
			114 0 0				
		23,101,158 1 7					
13. Frankfort A/M	..	822,207 0 7	*43,331 2 10				
			2,882,964 7 5	574,278	..	574,278	..
			†204,597 21 5				
Total	35,794,778	23,923,365 2 2	3,087,561 28 10	20,835,803	20,835,803	3,644,907	3,644,907

* Expense of Administration.

† Sum paid back ("aversum").

II.—Export Dues of Eastern Union.

States of the Verein.	Population.	Gross Receipts in 1865.	There remain after deducting for Register Defects, Payment of Drawbacks, &c.	Share of each State according to Population.	There remain—	
					To be Paid.	To be Received.
		Ths. sgr. pf.	Rths.	Rths.	Rths.	Rths.
1. Prussia, Eastern Provinces ...	14,331,156	14,532 21 0	14,498	14,809	...	311
2. Saxony	2,343,994	3,883 25 0	3,881	2,422	1,459	...
3. Thuringia	1,103,530	159 6 6	159	1,140	...	981
4. Brunswick (exclusive of Hotzminden and Gandersheim) ...	176,540	15 29 0	16	183	...	167
Total	17,955,220	18,591 21 6	18,554	18,554	1,459	1,459

III.—Export Dues of Western Union.

States of the Verein.	Population.	Gross Receipts in 1865.	There remain after deducting for Register Defects, Payment of Drawbacks, &c.	Share of each State according to Population, as per Agreement.	There remain—	
					To be Paid.	To be Received.
		Rths. sgr. pf.	Rths.	Rths.	Rths.	Rths.
1. Prussia, Western Provinces ...	5,311,798	14,064 4 6	14,057	13,105	952	...
Luxemburg	202,937	1,046 1 6	1,040	501	539	...
2. Bavaria	4,813,076	7,234 21 8	7,209	11,874	...	4,665
3. Hanover	1,943,772	2,726 21 4	2,691	9,373	...	6,682
4. Wurtemberg	1,748,328	814 3 8	814	4,313	...	3,499
5. Baden	1,426,218	5,051 9 2	4,984	3,519	1,465	...
6. Electoral Hesse	716,889	299 2 0	299	1,769	...	1,470
7. Grand Ducal Hesse	871,839	1,040 10 0	1,040	2,151	...	1,111
8. Brunswick, with Hotzminden, &c.	91,983	...	...	227	...	227
9. Oldenburg	244,407	106 16 0	107	1,179	...	1,072
10. Nassau	468,311	82 14 10	82	1,155	...	1,073
			32,323			
11. Frankfort on the Maine	...	16,845 8 10	16,843	...	16,843	...
Total	17,839,558	49,310 23 6	49,166	49,166	16,799	19,799

IV.—Comparison of the Results of the Calculation.

	Each State of the Verein has to—	
	Pay.	Receive.
	Rixthalers.	Rixthalers.
1. Prussia	1,733,696	..
Luxemburg	..	95,166
2. Bavaria	..	1,666,697
3. Saxony	1,219,213	..
4. Hanover	..	684,683
5. Wurtemb	..	529,960
6. Baden	..	68,755
7. Electoral Hesse	..	19,963
8. Grand Ducal Hesse .	26,530	..
9. Thuringia	..	295,374
10. Brunswick	91,785	..
11. Oldenburg	..	139,613
12. Nassau	..	162,134
13. Frankfort on the Maine ..	591,121	..
Total	3,662,345	3,662,345

COMPARISON of the Common Customs Receipts from Import and Export Dues in 1865, with the same Receipts during the same period in 1864.

States of the Verein.	Import Dues.				Export Dues.				Total.			
	In 1st to 4th Quarter, 1865.	In 1st to 4th Quarter, 1864.	In 1st to 4th Quarter, 1865.		In 1st to 4th Quarter, 1865.	In 1st to 4th Quarter, 1864.	In 1st to 4th Quarter, 1865.		In 1st to 4th Quarter, 1865.	In 1st to 4th Quarter, 1864.	In 1st to 4th Quarter, 1865	
			More.	Less.			More.	Less.			More.	Less.
	Rixthalers.	Rixthalers.	Rixthalers.	Rixthalers.	Rixthalers.	Rixthalers.	Rixthalers.	Rixthalers.	Rixthalers.	Rixthalers.	Rixthalers.	Rixthalers.
1. Prussia	13,684,586	13,816,531	...	131,945	*14,498	*24,605	...	*10,107	13,713,141	13,875,774	...	162,633
Luxemburg	123,463	134,973	...	11,510	†14,057	†34,638	...	†20,581	124,503	137,176	...	12,673
2. Bavaria	1,364,088	1,423,512	...	59,424	1,040	2,203	...	1,163	1,371,297	1,438,830	...	67,533
3. Saxony	2,669,931	2,670,397	...	766	7,209	15,318	...	8,109	2,673,512	2,678,369	...	4,857
4. Hanover	1,946,319	1,960,364	...	14,045	3,881	7,972	...	4,091	1,949,010	1,971,431	...	22,421
5. Wurtemberg	455,845	488,663	...	32,818	2,691	11,067	...	8,376	456,659	490,823	...	34,164
6. Baden	1,061,438	1,191,829	...	130,391	814	2,160	...	1,346	1,066,422	1,208,748	..	142,326
7. Electoral Hesse ...	375,604	363,114	12,490	...	4,984	16,919	...	11,935	375,903	364,359	11,544	...
8. Ducal Hesse	516,559	515,086	1,473	...	299	1,245	...	946	517,599	518,062	...	463
9. Thuringia	312,252	314,624	...	2,372	1,040	2,976	...	1,936	312,411	314,689	...	2,278
10. Brunswick	253,557	267,994	...	14,437	159	65	94	...	253,573	268,090	...	14,517
11. Oldenburg	239,139	220,292	18,847	...	*16	*96	...	*80	239,246	220,478	18,768	...
12. Nassau	98,667	102,000	...	3,323	107	186	...	79	98,759	102,363	...	3,604
13. Frankfort on the Maine	822,207	899,735	...	77,528	82	363	...	281	839,050	943,149	...	104,099
					16,843	43,414	...	26,571				
Total	23,923,365	24,369,114	32,810	478,559	67,720	163,227	94	95,601	23,991,085	24,532,341	30,312	571,568
				32,810				94				30,312
				445,749				95,507				541,256

* Eastern Union.

† Western Union.

The receipts, therefore, from import and export dues amounted to 23,991,085 thalers (3,598,662*l.* 15*s.*) in 1865, and to 24,532,341 thalers (3,679,851*l.* 3*s.*) in 1864, so that there was a falling-off in the receipts in 1865 to the amount of 541,256 thalers (81,188*l.* 18*s.*), which is equal to 2 per cent.

The state of circumstances which existed at the beginning of the year was unfavourable to trade, as was also the prolonged continuance of the winter, which kept the navigation closed till the end of the first quarter, and thus a diminution in the receipts was caused. Besides the state of uncertainty which existed with regard to politics, the continuance of the war in America, which reduced speculation in the trading community to very narrow limits, added to this the prices of all Colonial goods were very high. With regard to the effect produced on the receipts by the changes in the Tariff, caused by the French Treaty, &c., during the latter six months of the year, it is remarked that the total receipts of 1865 were not below those of the previous year, and that therefore the falling-off in the receipts was caused not so much by the circumstances affecting trade in a prejudicial manner as by the introduction of the new Tariff with the reduced rates of duty. It appears that the increase in importation of other articles is not in comparison to that of the article wine, which far surpassed the amount formerly imported under higher rates rates of duty.

The falling-off in import dues during 1865 took place in goods of silk and floret silk, half-silk goods as well as woollen goods. The falling-off was in a less proportion with regard to meat, herrings, and cotton goods, of all sorts, as well as raw sugar for refineries, brandies, of all sorts, and cotton yarn, mixed and unmixed. There was an increase in receipts from raw coffee, raw iron, of all sorts, and old iron, as well as from swine, unwrought tobacco leaves and stalks, wine, spices, of all sorts, treacle, rice, and some other articles.

(No. 7.)—General Survey of Sea-going Vessels which arrived at and left Prussian Harbours in 1864 and 1865.

	Arrived.						Sailed.					
	No. of Vessels.	No. of their Lasts.	Laden.		In Ballast.		No. of Vessels.	Lasts.	Laden.		In Ballast.	
			Vessels.	Lasts.	Vessels.	Lasts.			Vessels.	Lasts.	Vessels.	Lasts.
A. Under foreign flag:—												
In 1865	5,165	424,678	3,478	299,273	1,687	125,405	5,187	42 7,970	4,339	343,709	848	84,261
	..	..	46·31	47·42	57·81	56·75	..	..	49·94	50·11	50·48	52·11
In 1864	5,409	444,084	2,830	250,253	2,579	193,831	5,415	436,313	5,127	404,125	288	32,188
	..	..	56·65	61·52	76·12	75·11	..	..	66·22	65·89	41·14	55·18
1865 Increase	..	..	648	49,020	..	..	..	..	..	..	560	52,073
	..	..	..	..	..	..	..	..	..	..	9·34	..
1865 Decrease	244	19,406	..	..	892	68,426	228	8,343	788	60,416	..	..
	..	..	10·34	10·14	18·31	18·36	..	..	16·28	15·78	..	3·07
B. With Prussian flag:—												
In 1865	5,262	427,411	4,031	331,852	1	95,559	5,181	419,567	4,349	342,132	832	77,435
	..	..	53·69	52·58	42·19	43·25	..	..	50·06	49·89	49·52	47·89
In 1864	2,975	220,743	2,166	156,496	809	64,247	3,027	235,311	2,615	209,169	412	26,142
	..	..	43·35	38·48	23·88	24·89	..	..	33·78	34·11	58·86	44·82
1865 Increase	2,287	206,668	1,865	175,356	422	31,312	2,154	184,256	1,734	132,963	420	51,293
	..	..	10·34	10·14	18·31	18·36	..	..	16·28	15·78	..	3·07
1865 Decrease	..	..	..	..	..	..	..	..	..	..	..	..
	..	..	..	..	..	..	..	..	..	..	9·34	..
Total of A and B:—												
In 1865	10,427	852,089	7,509	631,125	2,918	220,964	10,368	847,537	8,688	685,841	1,680	161,696
In 1864	8,384	664,827	4,996	406,749	3,388	258,078	8,442	671,624	7,742	613,294	700	58,330
1865 Increase	2,043	187,262	2,513	224,376	..	..	1,2 6	175,913	946	72,547	980	103,366
1865 Decrease	..	..	..	..	470	37,114	..	..	..	..	..	..

The small figures denote the per-centage of the Prussian and foreign flag to the whole traffic.

(No. 8.)—Results of Business done at Post Office in 1865.

	In 1865.	In 1864.	During 1865.	
			Increase.	Decrease.
There were expedited per letter post—				
Postage prepaid...	35,340,279	35,642,607	...	302,328
Not prepaid—				
1. In Prussia	102,059,698	90,078,248	11,981,450	...
2. From abroad	17,582,136	15,161,081	2,421,055	...
3. To foreign parts	18,228,067	16,035,240	2,192,827	...
4. In transit	16,701,308	15,528,370	1,172,938	...
Total	189,911,488	172,445,546	17,465,942	...
Parcels with value not declared—				
Postage prepaid...	1,582,308	1,650,480	...	68,172
Postage not prepaid—				
1. In Prussia	13,653,159	12,846,132	807,027	...
2. From abroad	1,264,484	1,161,706	102,778	...
3. To foreign parts	1,395,147	1,335,360	59,787	...
4. In transit	431,535	427,531	4,004	...
Total	18,326,633	17,421,209	905,424	...
Letters and parcels with value declared—				
Postage prepaid	608,023	859,560	...	251,537
Postage not prepaid—				
1. In Prussia	5,210,881	6,948,435	...	1,737,554
2. From abroad	1,033,825	977,132	56,693	...
3. To foreign parts	1,092,650	1,060,098	32,552	...
4. In transit	367,848	347,867	19,981	...
Total	8,313,227	10,193,092	...	1,879,865
Letters and parcels with money advanced by Post-office—				
1. In Prussia	1,423,604	1,315,925	107,679	...
2. From abroad	143,975	131,612	12,363	...
3. To foreign parts	123,461	120,029	3,432	...
4. In transit	48,490	52,143	...	3,653
Total	1,739,530	1,619,709	119,821	...
Post-office assignations—				
1. In Prussia (ready money) ...	5,365,155	2,083,734	3,281,421	...
2. From abroad	273	429	...	156
3. To foreign parts	728	1,118	...	390
Total	5,366,156	2,085,281	3,280,875	...
Payments made in hard money—				
1. From foreign parts	38,428	34,957	3,471	...
2. To foreign parts	56,524	71,331	...	14,807
3. In transit	14,716	14,274	442	...
Total	109,768	120,562	10,894	...
Weight of parcels whose value is not declared—	Lbs.	Lbs.	Lbs.	Lbs.
Postage prepaid...	8,640,723	9,046,232	...	405,509
Postage not prepaid—				
1. In Prussia	122,435,209	112,974,004	9,461,205	...
2. From foreign parts	7,819,851	7,331,766	488,085	...
3. To foreign parts	8,731,333	8,593,845	137,488	...
4. In transit	3,092,986	2,655,445	437,541	...
Total	150,720,102	140,601,292	10,118,810	...
Weight of parcels, with value declared—	Lbs.	Lbs.	Lbs.	Lbs.
Postage prepaid	2,606,591	2,020,538	586,053	...
Postage not prepaid—				
1. In Prussia	2,612,571	3,105,739	...	493,168
2. From abroad	1,139,268	1,247,532	...	108,264
3. To foreign parts	661,505	527,306	134,199	...
4. In transit	465,062	477,321	...	12,259
Total	7,784,997	7,378,436	106,561	...

Result of Business done at Post-office in 1865—*continued.*

	In 1865.	In 1864.	During 1865.	
			Increase.	Decrease.
Declared value of money and of things sent—	Thalers.	Thalers.	Thalers.	Thalers.
Postage prepaid...	368,782,284	283,913,370	84,868,914	...
Postage not prepaid—				
1. In Prussia	795,737,865	818,719,213	...	22,981,348
2. From abroad	166,877,087	150,082,751	16,794,336	...
3. To foreign parts	159,528,915	143,031,525	16,497,390	...
4. In transit	51,726,896	48,582,391	3,144,505	...
Total	1,542,653,047	1,444,329,250	98,323,797	...
Total amount of money advanced by Post-office—				
1. In internal post traffic ...	3,320,317	3,105,427	214,890	...
2. In traffic from foreign parts ...	575,692	518,622	57,070	...
3. In traffic to foreign parts ...	434,330	415,233	19,097	...
4. In transit traffic	180,557	190,450	...	9,893
Total	4,510,896	4,229,732	281,164	...
Total amount of Post-office assignations—				
1. In the interior of Prussia (ready money)	76,132,838	11,816,375	64,316,463	...
2. From foreign parts	2,171	4,693	...	2,522
3. To foreign parts	8,762	7,033	1,729	...
Total	76,143,771	11,828,101	64,315,670	...
Total amount of money paid—	Thalers.	Thalers.	Thalers.	Thalers.
1. From foreign parts	377,377	315,172	62,205	...
2. To foreign parts	397,423	390,975	6,448	...
3. In transit	86,918	79,768	7,150	...
Total	861,718	785,915	75,803	...
Letter postage stamps and stamped envelopes used—				
Stamps	52,993,780	40,232,232	12,761,548	...
Stamped envelopes	10,888,176	9,589,516	1,298,660	...
Total	63,881,956	49,821,748	14,060,208	...
Receipts in money from—	Thalers.	Thalers.	Thalers.	Thalers.
Postage stamps	1,919,108	1,470,445	448,663	...
Stamped envelopes	542,350	484,224	58,126	...
Total	2,461,458	1,954,669	506,789	...
Newspapers, copies of laws, and official papers sent by post	81,016,079	82,476,171	...	1,460,092
Number of persons who travelled by post	3,832,140	3,497,426	334,714	...
Receipts from passage money and extra weight of luggage...	Thalers. 2,095,270	Thalers. 2,002,793	Thalers. 92,477	Thalers. ...
Amount of letters returned—				
a. Sent to Commission for opening returned letters	349,169	319,840	29,329	...
b. Destroyed by Committees for opening returned letters	73,547	66,937	6,610	...
	Thalers.	Thalers.	Thalers.	Thalers.
Total receipts of postage ...	9,970,178	9,440,229	529,949	...
	£	£	£	
	1,495,562	1,416,034	79,492	...
The Post-office is administered by—				
Officials	8,515	7,918	597	...
Sub-Officials	12,081	11,400	681	...

Result of Business done at Post-office in 1865—*continued.*

	In 1865.	In 1864.	During 1865.	
			Increase.	Decrease.
Total amount of Post-office establishments	2,711	2,523	188	...
„ „ Royal Post-office buildings	113	109	4	...
„ „ Postmasters' houses ...	1,166	1,156	10	...
„ „ Postmasters	1,064	1,055	9	...
„ „ Postillions...	4,689	4,580	109	...
„ „ Post-horses	12,878	12,818	60	...
„ „ Royal post-carriages ...	3,218	3,055	163	...
„ „ Carriages of postmasters	4,433	4,428	5	...
Miles travelled over by post carriages in connection with railways	5,091	4,657	434	...
Total number of miles travelled over ...	8,247,537	7,803,901	443,636	...
Railways in regular connection with post...	682	618	64	...
Of which carrying letter-bags	352	304	48	...
Number of miles travelled over by railway trains carrying letter-bags	2,853,498	2,620,827	232,671	...
Of which having Railway Post Bureaux ...	2,210,854	1,992,918	217,936	...

(No. 9.)—*Yield of the Harvest in Prussia in* 1866.

The growth of the plants cultivated was considerably injured in 1865 by the bad state of the weather in the autumn of 1864 and the early part of 1865. The result, therefore, of the harvest was not satisfactory, and as regards winter produce it was very deficient.

In comparing the yield of 1865 with that of 1864 there was a falling off in the under-mentioned produce in the following proportion, in 1865 :—

	Per cent.
Rapeseed	28
Lupins	21
Rye	16
Wheat	15
Oats and buckwheat	11
Barley	6
Cattle turnips	2

As regards straw the difference is more remarkable, inasmuch as it produced less :—

	Per cent.
Rye straw	30
Wheat straw	28
Oat straw	17
Barley straw	10
Pea straw	3

The harvest of 1864 was only surpassed by the produce of three articles :—

	Per cent.
Potatoes	15
Peas	6
Sweet turnips	3

When compared to the average yields of the last ten years from 1856 to 1865, it is found there was a falling off in the yield of—

	Per cent.
Wheat	13
Rye	12
Oats	1

And that there was an increase in the yield of—

	Per cent.
Potatoes	14
Barley and peas	4

In comparing the last ten years the yield of wheat was in 1858, and of rye in 1859, smaller than in 1865.

It may be calculated the rape harvest was a complete failure; wheat and rye only gave a three-quarter harvest; the summer harvest was little inferior to a middling harvest, the same with potatoes; and straw produced not more than a two-third middling harvest.

The good harvests of the last few years prevent any alarm as to want of supplies, and the price of corn has maintained itself.

Some difficulty was expected in regard to the want of winter fodder for cattle, as there was a scarcity of straw and a small supply of lupins. The amount of hay did not either cover the deficiency, for though the quality was good there was not much of it, and in some places it failed either in the first or second crop. With regard to the separate Provinces of Prussia, Saxony had a bad harvest of wheat, rye, barley, oats, and peas, but a good one of potatoes. Prussia, Pomerania, and Posen, were inferior as regards winter grain and potatoes, but were favoured as to barley, oats, and peas. Brandenburg had an average crop with the exception of barley, which was beyond a middling harvest. Silesia had an average crop of rye, but exceeded the average crop by 10 per cent. of wheat and peas, and had a middling crop of barley, oats, and potatoes. The Rhenish Provinces produced more than an average crop of wheat, rye, and potatoes, and a very inferior crop of barley, oats, and peas. In Westphalia the wheat, rye, and potatoes were very good; barley, oats, and peas nearly reached the average crop. Hohenzollern had a middling harvest.

Harvest in the Single Provinces.

1. Province of Prussia.

Government District.	Grain.											Straw.					
	Wheat.	Rye.	Barley.	Oats.	Peas.	Buckwheat.	Potatoes.	Rape.	Sweet Turnips.	Other Turnips and Cabbage.	Lupins.	Wheat.	Rye.	Barley.	Oats.	Peas.	Buckwheat.
1. Königsberg	0·69	0·75	1·02	1·03	0·93	0·61	0·98	0·39	0·82	0·90	0·72	0·66	0·63	0·97	0·95	0·89	0·61
2 Gumbinen	0·38	0·51	0·92	0·86	0·87	0·78	0·91	0·35	0·93	0·82	0·59	0·38	0·47	0·86	0·77	0·86	0·74
3. Marienwerder.. ..	0·80	0·65	0·89	0·95	0·92	0·79	0·73	0·07	1·00	0·73	0·85	0·70	0·53	0·93	0·97	0·94	0·80
4. Dantzic	0·91	0·80	0·97	1·03	0·89	..	0·70	0·33	0·95	0·96	0·86	0·89	0·72	1·02	1·03	0·90	..
Average ..	0·70	0·68	0·95	0·97	0·90	0·73	0·83	0·29	0·93	0·85	0·76	0·66	0·59	0·95	0·93	0·90	0·72
2. Province of Brandenburg.																	
1. Potsdam	0·63	0·70	0·84	0·82	0·72	0·54	0·92	0·23	0·90	0·57	0·41	0·56	0·53	0·81	0·78	0·69	0·56
2. Frankfort	0·93	0·87	1·17	1·00	0·94	0·80	1·03	0·49	1·00	0·81	0·67	0·71	0·63	0·95	0·92	0·92	0·80
Average ..	0·78	0·79	1·00	0·91	0·83	0·67	0·98	0·36	0·95	0·69	0·54	0·64	0·58	0·88	0·85	0·81	0·68
3. Province of Pomerania.																	
1. Stettin	0·73	0·67	0·92	0·90	0·98	0·60	0·94	0·27	1·00	0·85	0·45	0·61	0·55	0·90	0·88	0·95	0·73
2. Köslin	0·73	0·69	0·86	0·85	0·79	0·58	0·72	0·24	0·90	0·63	0·76	0·68	0·56	0·93	0·83	0·80	0·64
3. Stralsund	0·72	0·65	0·94	1·08	1·16	0·63	1·09	0·17	1·05	1·01	0·55	0·52	0·49	0·91	0·93	1·06	0·95
Average ..	0·73	0·67	0·91	0·94	0·98	0·60	0·92	0·23	0·98	0·83	0·59	0·60	0·53	0·91	0·88	0·94	0·77

4. Province of Silesia.

	Grain.											Straw.					
	Wheat.	Rye.	Barley.	Oats.	Peas.	Buckwheat.	Potatoes.	Rape.	Sweet Turnips.	Other Turnips and Cabbage.	Lupins.	Wheat.	Rye.	Barley.	Oats.	Peas.	Buckwheat.
Breslau..	0·82	0·81	0·99	1·03	0·89	0·74	0·92	0·35	0·95	0·92	0·64	0·73	0·66	0·98	0·97	0·91	0·78
Liegnitz	0·81	0·80	0·98	1·01	1·02	0·83	1·01	0·49	0·95	0·95	0·76	0·71	0·60	0·99	0·99	0·98	0·85
Oppeln..	0·93	0·73	1·03	1·06	0·85	0·69	1·04	0·31	1·03	0·87	0·68	0·83	0·62	1·06	1·03	0 83	0·78
Average ..	0·85	0·78	1·00	1·03	0·92	0·75	0·99	0·38	0·98	0·91	0·69	0·76	0·63	1·01	1·00	0·91	0·80
5. Province of Posen.																	
Posen	0·77	0·77	0·93	0·89	0·94	0·68	0·82	0·20	1·00	0·91	0·67	0·61	0·52	0·93	0·87	0·94	0·71
Brunberg	0·78	0·74	0·97	0·99	0·89	0·77	0·82	0·05	0·98	0·97	0·82	0·74	0·57	0·95	0·92	1·08	0·89
Average ..	0·78	0·76	0·95	0·94	0·92	0·73	0·82	0·13	0·99	0·94	0·75	0·68	0·55	0·94	0·90	1·01	0·80
6. Province of Saxony.																	
Magdeburg	0·59	0·71	0·83	0·75	0·69	0·34	0·98	0·41	0·84	0·60	0·38	0·51	0·55	0·75	0·66	0·70	0·45
Merseburg	0·69	0·69	0·81	0·78	0·70	0·68	0·98	0·51	0·78	0·68	0·60	0·51	0·48	0·71	0·69	0·64	0·76
Erfurt	0·73	0·70	0·79	0·68	0·63	..	1·02	0·29	1·00	0·70	0·75	0·60	0·60	0·73	0·65	0·60	..
Average	0·67	0·70	0·81	0·74	0·67	0·51	0·99	0·50	0·87	0·66	0·58	0·54	0·54	0·73	0·67	0·65	0·61
7. Province of Westphalia.																	
Münster	0·86	1·05	0·94	0·91	0·74	0·76	1·20	0·56	0·84	0·77	1·05	0·75	0·82	0·86	0·82	0·72	0·86
Minden	0·87	0·93	0·84	0·82	0·68	0·74	1·14	0·52	0·94	0·83	0·75	0·72	0·72	0·76	0·74	0·68	0·70
Arnsberg	0·88	0·92	0·83	0·81	0·82	0·84	1·13	0·52	0·99	0·77	0·71	0·78	0·73	0·74	0·68	0·80	0·97
Average ..	0·87	0·97	0·87	0·85	0·75	0·78	1·16	0·53	0·92	0·77	0·84	0·75	0·76	0·79	0·75	0·73	0·84

8. Rhenish Provinces.

	Grain.											Straw.					
	Wheat.	Rye.	Barley.	Oats.	Peas.	Buckwheat.	Potatoes.	Rape.	Sweet Turnips.	Other Turnips and Cabbage.	Lupins.	Wheat.	Rye.	Barley.	Oats.	Peas.	Buckwheat.
Cologne	0·71	0·77	0·70	0·70	0·72	0·83	0·96	0·46	0·94	0·70	0·85	0·61	0·62	0·65	0·63	0·69	0·91
Dusseldorf	0·90	0·82	0·82	0·89	0·81	1·00	0·99	0·63	0·98	0·77	1·03	0·76	0·67	0·72	0·79	0·82	0·99
Coblence	0·72	0·72	0·63	0·63	0·47	0·89	0·94	0·41	0·63	0·60	..	0·56	0·58	0·53	0·54	0·44	0·92
Aix-la-Chapelle	0·83	0·85	0·80	0·79	0·82	0·93	0·97	0·44	0·98	0·80	1·00	0·68	0·65	0·69	0·64	0·77	0·85
Treves	0·73	0·90	0·62	0·71	0·43	0·80	1·08	0·51	0·76	0·65	0·58	0·63	0·75	0·59	0·61	0·44	0·83
Average ..	0·78	0·81	0·71	0·74	0·65	0·89	0·99	0·49	0·86	0·70	0·87	0·65	0·65	0·64	0·64	0·63	0·90
9. Country of Hohenzollern.																	
Hechingen and Sigmaringen.	0·90	0·82	1·01	0·98	0·78	..	1·05	0·44	0·77	0·93	..	0·71	0·71	0·93	0·84	0·60	..

(A.)—Table showing Average Yields of Harvests in the whole Kingdom.

Grain.										Straw.					
Wheat.	Rye.	Barley.	Oats.	Peas.	Buckwheat.	Potatoes.	Rape.	Sweet Turnips.	Other Turnips and Cabbage.	Lupins.	Wheat.	Rye.	Barley.	Oats.	Peas.	Buckwheat.
0·78	0·78	0·91	0·90	0·82	0·71	0·97	0·37	0·92	0·81	0·70	0·67	0·62	0·86	0·83	0·80	0·77

(B.)—Yield of the Harvest of Single Provinces.

	Grain.											Straw.					
	Wheat.	Rye.	Barley.	Oats.	Peas.	Buckwheat.	Potatoes.	Rape.	Sweet Turnips.	Other Turnips and Cabbage.	Lupins.	Wheat.	Rye.	Barley.	Oats.	Peas.	Buckwheat.
Prussia..	0·70	0·68	0·95	0·97	0·90	0·73	0·83	0·29	0·93	0·85	0·76	0·66	0·59	0·95	0·93	0·90	0·72
Brandenburg	0·78	0·79	1·00	0·91	0·83	0·67	0·98	0·36	0·95	0·69	0·54	0·64	0·58	0·88	0·85	0·81	0·68
Pomerania	0·73	0·67	0·91	0·94	0·98	0·60	0·92	0 23	0·98	0·83	0·59	0·60	0·53	0·91	0·88	0·94	0·77
Silesia	0·85	0·78	1·00	1·03	0·92	0·75	0·99	0·38	0·98	0·91	0·69	0·76	0·63	1·01	1·00	0·91	0·80
Posen	0·78	0·76	0·95	0·94	0·92	0·73	0·82	0·13	0·99	0·94	0·75	0·68	0·55	0·94	0·90	1·01	0·80
Saxony	0·67	0·70	0·81	0·74	0·67	0·51	0·99	0·50	0·87	0·66	0·58	0·54	0·54	0·73	0·67	0·65	0·61
Westphalia	0·87	0·97	0·87	0·85	0·75	0·78	1·16	0·53	0·92	0·79	0·84	0·75	0·76	0·79	0·75	0·73	0·84
Rhenish Provinces ..	0·78	0·81	0·71	0·74	0·65	0·89	0·99	0·49	0·86	0·70	0·87	0·65	0·65	0·64	0·64	0·63	0·90
Hohenzollern	0·90	0·82	1·01	0·98	0·78	..	1·05	0·44	0·77	0·93	..	0·71	0·71	0·93	0·84	0·60	..
Average ..	0·78	0·78	0·91	0·90	0·82	0·71	0·97	0·37	0·92	0·81	0·70	0·67	0·62	0·86	0·83	0·80	0·77

(C.)—YIELD of Harvest in the Single Government Districts ("Regierungs Bezirken").

	Grain.											Straw.					
	Wheat.	Rye.	Barley.	Oats.	Peas.	Buck-wheat.	Potatoes.	Rape.	Sweet Turnips.	Other Turnips & Cabbage.	Lupins.	Wheat.	Rye.	Barley.	Oats.	Peas.	Buck-wheat.
1. Königsberg	0·69	0·75	1·02	1·03	0·93	0·61	0·98	0·39	0·82	0·90	0·72	0·66	0·63	0·97	0·95	0·89	0·61
2. Gumbinnen	0·38	0·51	0·92	0·86	0·87	0·78	0·91	0·35	0·93	0·82	0·59	0·38	0·47	0·86	0·77	0·86	0·74
3. Dantzic	0·91	0·80	0·97	1·03	0·89	..	0·70	0·33	0·95	0·96	0·86	0·89	0·72	1·02	1·03	0·90	..
4. Marienwerder ..	0·80	0·65	0·89	0·95	0·92	0·79	0·73	0·07	1·00	0·73	0·85	0·70	0·53	0·93	0·97	0·94	0·80
5. Potsdam	0·63	0·70	0·84	0·82	0·72	0·54	0·92	0·23	0·90	0·57	0·41	0·56	0·53	0·81	0·78	0·69	0·56
6. Frankfort	0·93	0·87	1·17	1·00	0·94	0·80	1·03	0·49	1·00	0·81	0·67	0·71	0·63	0·95	0·92	0·92	0·80
7. Stettin	0·73	0·67	0·92	0·90	0·98	0·60	0·94	0·27	1·00	0·85	0·45	0·61	0·55	0·90	0·88	0·95	0·73
8. Köslin	0·73	0·69	0·86	0·85	0·79	0·58	0·72	0·24	0·90	0·63	0·76	0·68	0·56	0·93	0·83	0·80	0·64
9. Stralsund	0·72	0·65	0·94	1·08	1·16	0·63	1·09	0·17	1·05	1·01	0·55	0·52	0·49	0·91	0·93	1·06	0·95
10. Breslau	0·82	0·81	0·99	1·03	0·89	0·74	0·92	0·35	0·95	0·92	0·64	0·73	0·66	0·98	0·97	0·91	0·78
11. Liegnitz	0·81	0·80	0·98	1·01	1·02	0 83	1·01	0·49	0·95	0·95	0·76	0·71	0·60	0·99	0·99	0·98	0·85
12. Oppeln	0·93	0·73	1·03	1·00	0·85	0·69	1·04	0·31	1·03	0·87	0·68	0·83	0·62	1·06	1·03	0·83	0·78
13. Posen	0·77	0·77	0·93	0·89	0·94	0·68	0·82	0·20	1·00	0·91	0·67	0·61	0·52	0·93	0·87	0·94	0·71
14. Burnberg	0·78	0·74	0·97	0·98	0·89	0·77	0·82	0·05	0·98	0·97	0·82	0·74	0·57	0·95	0·92	1·08	0·89
15. Magdeburg	0·59	0·71	0·83	0·75	0·69	0·34	0·98	0·41	0·84	0·60	0·38	0·51	0·55	0·75	0·66	0·70	0·45
16. Merseburg	0·69	0·69	0·81	0·78	0·70	0·68	0·98	0·51	0·78	0·68	0·60	0·51	0·48	0·71	0·69	0·64	0·76
17. Erfurt	0·73	0·70	0·79	0·68	0·63	..	1·02	0·59	1·00	0·70	0·75	0·60	0·60	0·73	0·65	0·60	..
18. Münster	0·86	1·05	0·94	0·91	0·74	0·76	1·20	0·56	0·84	0·77	1·05	0·75	0·82	0·86	0·82	0·72	0·86
19. Minden	0·87	0·93	0·84	0·82	0·68	0·74	1·14	0·52	0·94	0 83	0·75	0·72	0·72	0·76	0·74	0·68	0·70
20. Arnsberg	0·88	0·92	0·83	0·81	0·82	0·84	1·13	0·52	0·99	0·77	0·71	0·78	0·73	0·74	0·68	0·80	0·97
21. Cologne	0·71	0·77	0·70	0·70	0·72	0·83	0·96	0·46	0·94	0·70	0·85	0·61	0·62	0·65	0·63	0·69	0·91
22. Duesseldorf	0·90	0·82	0·82	0·89	0·81	1·00	0·99	0·63	0·98	0·77	1·03	0·76	0·67	0·72	0·79	0·82	0·99
23. Coblence	0·72	0·72	0·63	0·63	0·47	0·89	0·94	0·41	0·63	0·60	..	0·56	0·58	0·53	0·54	0·44	0·92
24. Aix-la-Chapelle ..	0·83	0·85	0·80	0·79	0·82	0·93	0·97	0·44	0·98	0·80	1·00	0·68	0·65	0·69	0·64	0·77	0·85
25. Treves	0·73	0·90	0·62	0·71	0·43	0·80	1·08	0·51	0·76	0·65	0·58	0·63	0·75	0·59	0·61	0·44	0·83
26. Hohenzollern ..	0·90	0·82	1·01	0·98	0·78	..	1·05	0·44	0·77	0·93	..	0·71	0·71	0·93	0·84	0·60	..
Average ..	0·77	0·77	0·89	0·88	0·81	0·73	0·96	0·38	0·92	0·80	0·71	0·66	0·61	0·84	0·81	0·79	0·79

(D.)—Average Yield of Harvest in the Single Provinces during the last Ten Years.

Province of Prussia.

Year.	Wheat.	Rye.	Barley.	Oats.	Peas.	Potatoes.	Rape.	Sweet Turnips.	Lupins.
1856 ..	0·94	1·04	0·97	1·00	1·13	0·94	..	..	..
1857 ..	1·02	1·07	0·67	0 62	0·63	0·91	..	..	..
1858 ..	0·85	0·92	0·59	0·52	0·33	0·93	..	..	..
1859 ..	1·01	0·87	0·74	0·89	0 78	0·87	..	..	..
1860 ..	1·12	0·99	1·00	1·02	0·99	0·49	0·88	0·99	..
1861 ..	1·01	0·97	0·97	0·97	0·81	0·79	0·78	0·96	0·83
1862 ..	0·83	0·97	1·08	1 11	1·12	0·76	0·84	0·88	0·97
1863 ..	0·92	1·07	0·95	0·95	0·75	1·00	0·85	0·95	0·86
1864 ..	0·82	0·96	0·93	0·98	0·64	0·67	0 92	0·78	0·99
1865 ..	0·70	0·68	0·95	0·97	0·90	0·83	0·29	0·93	0·76
Average 10 years	0·92	0·95	0·89	0·90	0·81	0·82	..	..	..

Province of Brandenburg.

1856 ..	0·93	1·14	1·10	1·15	1·14	0·88	..	..	..
1857 ..	1·04	0·99	0·63	0·49	0·27	1·00	..	..	..
1858 ..	0·79	0·77	0·71	0·71	0·39	0·80	..	..	..
1859 ..	0·88	0·73	0·79	0·87	0·79	0·91	..	..	..
1860 ..	0·87	0·96	0·87	1·01	0·93	0·85	0·94	1·01	..
1861 ..	1·02	0·84	0·97	1·04	0·96	0·68	0·73	0·95	0·82
1862 ..	0·90	0·98	0·96	1·00	0·89	1·02	0·85	0·89	1·15
1863 ..	1·05	1·03	1·00	0·97	0·92	0·88	1·06	0·77	0·78
1864 ..	0·94	0·94	1·06	0·99	0·82	1·04	0·75	0·98	0·92
1865 ..	0·78	0·79	1·00	0·91	0·83	0·98	0·36	0·95	0·54
Average 10 years	0·92	0·92	0·91	0·91	0·79	0·90	..	..	..

Province of Pomerania.

1856 ..	0·98	1·00	1·10	1·12	1·13	0·59	..	..	..
1857 ..	1·00	1·01	0·65	0·58	0·19	0·85	..	..	..
1858 ..	0·87	0·79	0·70	0·62	0·44	0·91	..	..	..
1859 ..	1·01	0·79	0·74	0·83	0·64	0·81	..	..	..
1860 ..	1·02	1·09	0·94	1·12	1·04	0·54	0·84	0 99	..
1861 ..	0·93	0·85	0·91	0·95	0·86	0·49	0·80	0·77	0·78
1862 ..	0 82	0·82	1·01	1·14	1·05	0·78	0·88	0·81	1·03
1863 ..	1·07	1·09	0·91	0·90	0·92	1·09	1·06	0·78	0·93
1864 ..	0·99	0·94	0·95	1·01	0·84	0·76	0·73	0·77	0·72
1865 ..	0·73	0·67	0·91	0·94	0·98	0·92	0·23	0·98	0·59
Average 10 years	0·94	0·91	0·88	0·92	0·81	0·77	..	..	..

Province of Silesia.

1856 ..	0·86	1·10	1·10	1·09	1·08	0·90	..	..	..
1857 ..	0·93	0·98	0·76	0·69	0·41	1·03	..	..	..
1858 ..	0·59	0·79	0·46	0·55	0·25	0·74	..	..	..
1859 ..	0·83	0·79	0·78	0·88	0 81	0·83	..	..	..
1860 ..	0·87	0·95	0·84	0·98	0·56	0·39	1·04	0·74	..
1861 ..	1·05	0·85	1·02	1·00	0·94	0·90	0·79	0·86	0·57
1862 ..	0·97	0·97	0·94	1·02	0·93	0·99	0·70	0·78	1·06
1863 ..	1·02	1·03	0·98	0·96	0·89	0·82	0·87	0·59	0·76
1864 ..	0·86	0·97	0·93	0·96	0·56	0·92	0·90	0·93	0·98
1865 ..	0·85	0·78	1·00	1·03	0·92	0·99	0·38	0·98	0·69
Average 10 years	0·88	0·92	0·88	0·92	0·74	0·85	..	..	..

Province of Posen.

Year.	Wheat.	Rye.	Barley.	Oats.	Peas.	Potatoes.	Rape.	Sweet Turnips.	Lupins.
1856 ..	0·92	1·19	0·98	1·03	1·34	0·74	..	..	..
1857 ..	0·98	1·01	0·59	0·48	0·28	0·87	..	..	..
1858 ..	0·64	0·70	0·44	0·48	0·24	0·79	..	..	..
1859 ..	0·88	0·84	0·64	0·72	0·76	0·82	..	..	..
1860 ..	0·91	0·98	0·84	1·08	1·19	0·46	1·03	1·22	..
1861 ..	1·07	0·84	0·81	0·91	0·83	0·93	0·72	0·77	0·65
1862 ..	0·88	0·89	0·89	1·02	1·00	·89	0·69	0·62	1·06
1863 ..	1·04	1·04	0·98	0·95	0·93	0·86	0·79	0·73	0·84
1864 ..	0·86	0·92	0·90	0·93	0·52	1·04	0·70	1·00	0·88
1865 ..	0·78	0·76	0·95	0·94	0 92	0·82	0·13	0·99	0·75
Average 10 years	0·90	0·92	0·80	0·85	0·80	0·82	..	..	..

Province of Saxony.

1856 ..	0·98	1·04	1·02	1·04	1·04	0·90	..	..	..
1857 ..	0·99	0·95	0·60	0·46	0·38	1·00	..	..	..
1858 ..	0·53	0·74	0·52	0·61	0·38	0·84	..	..	..
1859 ..	0·91	0·79	0·80	0·73	0·79	0·89	..	..	..
1860 ..	1·06	1·10	1·02	1·14	0·99	0·81	1·09	0·96	..
1861 ..	0·89	0·79	0·90	1·01	0·84	0·63	0·79	0·83	0·79
1862 ..	0·96	0·93	0·95	1·07	0·99	0·74	0·67	0·92	1·15
1863 ..	1·08	1·07	1·02	1·07	0·95	1·04	0·97	0·93	0·87
1864 ..	1·02	1·00	1·04	1·07	0·87	0·96	0·62	0·94	0·87
1865 ..	0·67	0·70	0·81	0·74	0·67	0·99	0·50	0·87	0·58
Average 10 years	0·91	0·91	0·87	0·89	0·79	0·88	..	..	..

Province of Westphalia.

1856 ..	1·00	1·01	0·95	1·05	1·03	0·80	..	..	..
1857 ..	1·05	1·07	0·74	0·72	0·54	0·94	..	..	..
1858 ..	0·75	1·03	0·84	0·81	0·26	1·01	..	..	..
1859 ..	0·89	0·56	0·59	0·86	0·63	0·63	..	..	..
1860 ..	1·02	1·02	0·92	1·12	0·92	0·58	0·94	0·89	..
1861 ..	0·77	0·73	0·88	1·00	0·68	0·34	0·88	0·94	1·00
1862 ..	0·87	0·78	0·99	1·13	0·95	0·76	0·74	0·76	0·86
1863 ..	1·07	1·05	0·80	0·83	0·81	0·96	1·00	0·75	0·84
1864 ..	0·90	0·96	1·01	1·09	0·92	0·70	0·36	0·82	1·00
1865 ..	0·87	0·97	0·87	0·85	0·75	1·16	0·53	0·92	0·84
Average 10 years	0·92	0·92	0·86	0·95	0·75	0·79	..	..	..

Rhenish Provinces.

1856 ..	0·99	0·90	0·96	1·07	0·93	0·91	..	..	..
1857 ..	1·08	1·06	0·84	0·71	0·49	1·00	..	..	..
1858 ..	0·69	0·87	0·73	0·60	0·36	1·04	..	..	..
1859 ..	0·85	0·79	0·85	0·95	0·72	0·73	..	..	..
1860 ..	0·95	0·95	0·92	0·95	0·75	0·57	0·72	0·81	..
1861 ..	0·85	0·75	0·89	1·03	0·85	0 51	0·76	0·77	..
1862 ..	0·91	0·73	0·95	1·10	1·03	0·71	0·69	0·90	1·07
1863 ..	0·95	1·00	0·89	0·84	0·74	0·97	0·86	0·72	0·81
1864 ..	0·93	0·96	0·95	1·04	0·81	0·82	0·33	0·90	0·96
1865 ..	0·78	0·81	0·71	0·74	0·65	0·99	0·49	0·86	0·87
Average 10 years	0·90	0·88	0·87	0·90	0·73	0·83	..	..	..

(E.)—AVERAGE Yield of Harvest of all the Provinces during the last Ten Years.

Year.	Wheat.	Rye.	Barley.	Oats.	Peas.	Potatoes.	Rape.	Sweet Turnips.	Lupins.
1856 ..	0·94	1·00	1·00	1·04	1·05	0·82	..	..	..
1857 ..	1·02	1·01	0·73	0·61	0·44	0·95	..	..	..
1858 ..	0·73	0·83	0·65	0·62	0·37	0·90	..	..	..
1859 ..	0·89	0·77	0·70	0·83	0·72	0·81	..	..	..
1860 ..	0·97	0·99	0·92	1·05	0·89	0·58	0·93	0·95	..
1861 ..	0·95	0·80	0·93	0·99	0·86	0·66	0·74	0·87	0·78
1862 ..	0·89	0·88	0·98	1·09	0·99	0·83	0·78	0·84	1·04
1863 ..	1·01	1·03	0·94	0·93	0·86	0·96	0·92	·80	0·84
1864 ..	0·93	0·94	0·97	1·01	0·76	0·82	0·65	·89	0·91
1865 ..	0·78	0·78	0·91	0·90	0 82	0·97	0·37	·92	0·70
Average 10 years	0·91	0·90	0·87	0·91	0·78	0·83	..	..	..

(No. 10.)—Abstract of the Wool sold at the Prussian Wool Markets in 1865, and of the Prices paid for it.

Names of the Towns.	Were sold.					Prices per Centner.			
	Extra Fine Wool.	Fine Wool.	Middling Wool.	Ordinary Wool.	Total.	Extra Fine Wool.	Fine Wool.	Middling Wool.	Ordinary Wool.
	Centners.	Centners.	Centners.	Centners.	Centners.	Rixthalers.	Rixthalers.	Rixthalers.	Rixthalers.
Berlin	..	19,000	68,000	25,000	112,000	..	From 70 to 82	From 55 to 70	From 40 to 55
Breslau	3,000	16,000	30,000	8,500	57,500	From 92 to 105	80 92	70 80	63 70
Coblence	..	122	640	..	762	..	66⅔	60	..
Königsberg in Prussia ..	..	5,500	3,500	..	9,000	..	66 74	60 65	..
Landsberg	..	3,700	5,800	3,200	12,700	..	69 76	62 68	60 60
Magdeburg	..	..	265	..	265	..	..	49 55	..
Mühlhausen	..	310	1,200	500	2,010	..	66 70	61 65	57 60
Paderborn	105	130	1,089	230	1,554	From 70 to 72½	68 70	61 64	50 58
Posen	..	10,740	12,034	372	23,146	..	70 74	66 69	58 62
Stettin	..	952	12,601	62	13,615	..	62 71	53 61	42 52
Stralsund	..	..	7,271	..	7,271	..	..	58 63	..
Dusseldorf	..	43	114	633	790	..	66 70	60 64	53 56
Elbing	..	..	95	..	95	..	..	65	..
Total	3,105	56,497	142,609	38,497	240,708				

(No. 11.)—Results of Business done in Prussian Telegraphs in 1864.

I. Despatches Sent.

	Distances.			Total.
	Up to 10 Miles.	From 10 to 45 Miles.	Above 45 Miles.	
A. Internal traffic :—	Despatches.	Despatches.	Despatches.	Despatches.
1. Government despatches ..	34,443	20,397	6,304	61,144
2. Telegraph service despatches	12,108	16,311	6,922	35,341
3. Railway service despatches .	465	585	139	1,189
4. Private despatches ..	284,238	455,982	174,187	914,407
Total of A	331,254	493,275	187,552	1,012,081

	From Prussia.	To Prussia.	Total.
	Despatches.	Despatches.	Despatches.
B. Traffic between Prussia and non-Prussian countries—			
a. Between Prussia and the States of the German-Austrian Telegraph Verein :—			
1. Baden	9,698	10,434	
2. Bavaria	23,166	23,150	
3. Hanover	21,134	21,841	
4. Mecklenburg . ..	11,196	9,918	
5. Netherlands	32,732	27,724	
6. Austria	48,837	55,960	
7. Saxony	22,227	21,247	
8. Wurtemberg . ..	4,194	4,109	
Total of *a*	173,184	174,392	347,576
b. Between Prussia and States not belonging to the Verein :—			
1. Belgium	13,522	11,326	
2. Denmark	5,844	5,525	
3. France	20,086	19,251	
4. Greece	80	142	
5. England	34,095	43,434	
6. Ionian Islands ..	40	87	
7. Papal States . ..	115	157	
8. Malta	25	26	
9. Moldavia and Wallachia	288	258	
10. Russia and Poland ..	25,890	26,708	
11. Sweden and Norway ..	5,110	3,483	
12. Italy	3,884	3,715	
13. Portugal	524	436	
14. Switzerland	3,942	4,746	
15. Servia	33	13	
16. Spain	1,312	1,383	
17. Turkey	257	229	
18. Africa	42	49	
19. America	262	117	
20. Asia	3	7	
Total of *b*	115,354	121,092	236,446
Total of B	..	..	584,022

	From Prussia.	To Prussia.	Total.
	Despatches.	Despatches.	Despatches.
c. In transit through Prussia :—			
1. From States of the Verein to other Verein States	35,619	—	
2. From States of the Verein to States not of the Verein	39,670	—	
3. From non-Verein States to Verein States	47,133	—	
4. From non-Verein States to other non-Verein States	91,852	—	
Total of c	..	..	214,274

II. The total number of telegraph stations was, at the end of 1864, 391, of which 288 were combined with postal establishments.

III. The number of persons belonging to the administration of telegraphs, exclusive of the officials employed in the postal establishments combined with the telegraph stations was, at the end of 1864 :—

Officials	698
Subalterns	123
Probisten	86

IV. The extent of the telegraphic lines and wires in use at the end of 1864 amounted to :— Miles.*

a. Lines	1,708
b. Wires	5,356

V. Of telegraphic writing apparatus there were in use at the end of 1864, 918.

(No. 12.)—*Cultivation of Tobacco. Beet-root Sugar Distilleries in Prussia.*

Everybody is allowed to cultivate tobacco in Prussia. The duty levied upon it formerly amounted to 1 thaler per centner of dry leaves; now the levying of the tax takes place according to the extent of the ground cultivated with tobacco, and in four different classes. The taxes levied are—

For every square ruthen (equal to $\frac{1}{30}$ of a morgen) :—	Sgr.
1st Class	6
2nd Class	5
3rd Class	4
4th Class	3

Tracts of ground of less than 6 square ruthen are free from duty.

The Minister of the Interior and the Minister of Finance fix, from time to time, in which of these four classes the production of tobacco in each district is to be included.

When 6 square ruthen or more of land are cultivated

* A German mile may be taken at equal to $4\frac{3}{4}$ English miles.

with tobacco an announcement has to be made of it to the Government before the end of July.

Tobacco was cultivated in Prussia from 1860 to 1864 to the following extent:—

Year.	Total Surface.		Of which are free of Duty under 6 square morgen.		Amount of Duty got from Taxed Ground, in Thalers.
	Morgen	Sq. ruth.			
1860 ..	24,933	72	1,816	163	108,700
1861 ..	19,312	39	1,522	120	82,748
1862 ..	20,518	122	1,480	47	89,156
1863 ..	25,445	66	1,397	18	113,450
1864 ..	26,609	45	1,544	135	?

The quantity of tobacco obtained varies between 2 and 22 centners per morgen. The average yield of the soil in Prussia is from 6 to 8 centners per morgen. The total produce during the years 1861 to 1863 is given from from 133,831 to 181,825 centners per annum.

The value of 1 centner of dry tobacco leaves varies from 3 to 17 thalers, according to the quality of the tobacco.

In Prussia, as well as in the whole of the Zollverein, every one is allowed to cultivate beet-root for making sugar. The manufacture of beet-root sugar was at first free of duty; it enjoyed a high protective duty by the import duty upon Colonial sugar (5 thalers (15*s.*) per centner of raw unrefined sugar), and under this protective duty it soon developed itself after 1840. By a Convention made by the States of the Zollverein, at first a low duty was laid on beet-root sugar, but later a higher one. Since 1858, the tax on beet-root sugar amounts to $7\frac{1}{2}$ silbergroschen (9*d.*), equal to $\frac{1}{4}$ thaler per centner of raw beet-roots.

In 1861, a compensation duty was introduced for exported beet-root sugar, and at the same time the entrance duty on Colonial sugar was reduced to $4\frac{1}{4}$ thalers per centner of raw sugar. Since that time, the protective duty which beet-root sugar enjoyed has not been of much importance. About 12 centners of raw beet-roots are required for the making of one centner of raw sugar.

The duty at present paid upon 1 centner of Colonial sugar is $4\frac{1}{4}$ thalers (12*s.* 8*d.*); upon 1 centner of beet-root sugar, about 3 thalers (9*s.*). But the difference of $1\frac{1}{4}$

thaler is partly balanced by the greater value of the bye product, *i. e.*, the molasses got from the Colonial sugar.

In some factories dried roots are used. As regards the duty, 1 centner of dried roots is counted as equal to $4\frac{3}{4}$ centners of raw roots.

In exporting beet-root sugar, the compensation duty amounts to 2 thalers 26 silber-groschen (8*s.* 7*d.*) per centner of raw sugar and pounded sugar; 3 thalers 15 silber-groschen (10*s.* 6*d.*) per centner of loaf-sugar and sugar-candy.

The duty is levied in the sugar factory, the beet-roots when they are brought to the factory being weighed under the inspection of an excise officer.

After a little pause in establishing new factories from 1859 to 1863, during the last two years the number of sugar factories has again increased, and in the present year (1865) it is said 31 new sugar factories will be built in the Zollverein, the majority of which are in Prussia. The art of pressing out and clearing the juice of beet-roots improves every year, and the culture of the soil gains so much by deep ploughing, good manuring, and careful cleansing, which are required in cultivating beet-roots, that those estates of which one-fourth to one-third of the ground is laid down in beet-roots reap as much grain from the remainder of their plain surface as they produced before upon the whole plain surface without cultivating beet-root.

The cultivation of beet-root sugar gives occasion for the employment of many hands in the agricultural districts in the summer, by tilling, hoeing, and reaping the beet-roots; in winter, in the factories themselves.

The refuse of the beet-roots, after they have been pressed, is a wholesome food for cattle; the owners of estates on which beet-roots are cultivated consequently keep during the winter a large amount of cattle for fattening, and they keep also the oxen used during the summer for farm work.

Usually, one morgen of land is cultivated with 120 to 150 centners of beet-roots, 1 centner of which is paid with 7 to 9 silber-groschen in the factory; 1 centner of raw beet-root sugar costs usually from 10 to 12 thalers.

The following Table shows the number of factories and the weight of the beet-roots used for making sugar in the Zollverein. The number of factories in Prussia is especially given.

In the Year.	Number of Factories.		Beet-roots used for making Sugar.	Presumptive Amount of Produced Raw Sugar.
	In Zollverein.	In Prussia.		
			Centners.	Centners.
1859–60 ..	256	221	34,399,317	3,017,484
1860–61 ..	247	214	29,354,032	2,530,520
1861–62 ..	247	215	31,692,394	2,515,289
1862–63 ..	247	216	36,719,258	2,760,849
1863–64 ..	253	221	39,911,520	3,070,938
1864–65 ..	270	234	41,641,204	—

Prussian factories expect in course of time to be able to compete with Colonial sugar in foreign markets. At home, the sale is increasing annually, as the consumption increases every year in the Zollverein, which now amounts to about 9 lbs. per head. Up to the present time the exportation of beet-root sugar has not been large: only 70,000 to 80,000 centners in the last years. The compensation duty amounted—

From April 1, 1862–63 to 103,803 thalers, equal to 15,570*l.* 9*s.*
„ 1863–64 to 255,124 thalers, equal to 38,268*l.* 12*s.*
„ 1864–65 to 247,694 thalers, equal to 37,154*l.*

With the exception of beet-roots, no other vegetable matters are used for the manufacture of sugar; at least to such an extent as to be of any importance.

With regard to the distilling of spirits, the distilleries of spirits pay, according to a Law of 1838 and 1854, in using mealy substances (corn and potatoes), a duty according to the size of the mash-tubs, *i. e.*, 3 silber-groschen (4*d.*) for every 20 quarts of mash space. Small agricultural distilleries, which from the 1st November to the 1st May only use those products earned on their own estates, and which do not mash over 900 quarts mash-tub space a-day, pay only $2\frac{1}{2}$ silber-groschen (3*d.*) for 20 quarts. Those small distilleries bring in only about one-thirtieth of the revenues obtained by this duty. On other substances than mealy ones, such as fruit, berries, turnips, a duty is levied approximative to the quantity used. The duty from it amounted in the last years to about one-twentieth of the whole revenue got by duties on distilleries of brandy.

Any one intending to establish a distillery has to lay before the Excise Office his plan for carrying on this business eight days before the first mashing. From time to

time the Excise authorities have to examine the utensils used in the distillery and the localities used for the distilling.

If great quantities are exported the duty is compensated with 11 pfennings (1*d.*) per quart or 50 per cent. tralles; for it is reckoned that good distilleries get about 8 per cent. out of 1 quart mash space, *i. e.*, 160 per cent. out of 20 quarts of mash space; so that they pay only about 11 pfennings duty on 1 quart of brandy at 50 per cent.

The following list gives the number of distilleries in Prussia, and the revenue obtained from dues:—

Year.	No. of Distilleries.		Duty levied.	Compensation for Exported Spirit.	Remains a Revenue.	There were used	
	In all.	In Towns.				Corn.	Potatoes.
			Thalers.	Thalers.	Thalers.	Scheffel.	Scheffel.
1860	6,270	1,149	8,677,617	1,515,964	7,161,653	3,443,359	22,241,900
1861	6,199	1,143	8,668,545	1,397,968	7,270,577	3,952,153	21,675,098
1862	5,568	1,107	9,178,638	1,456,958	7,721,680	3,884,345	24,673,439
1863	5,986	1,112	10,049,302	2,275,718	7,773,584	4,195,900	27,314,214
1864	—	—	—	—	—	—	—

The quantity of spirit obtained every year is estimated at from 250,000,000 to 300,000,000 of quarts at 50 per cent. tralles, and its value, according to the present low prices, at 25,000,000 to 30,000,000 thalers.

According to the laws of Prussia, a duty of 20 silbergroschen has to be paid on each centner of malt used in beer brewing. This tax can be fixed for the business of the whole year if there is only a small sale. Beer for house use, prepared in common boiling kettles in families of no more than ten persons above 14 years of age, is free from duty. About 12,000 to 13,000 permits are generally granted annually for making beer in this manner. The consumption of beer has recently increased in Prussia. The number of breweries has indeed decreased, but many breweries have extended their business, and the brewing of the so-called Bavarian beer has considerably increased. The number of breweries which paid excise on more than 2,000 centners of malt amounted only to 145 in the year 1861, but to 191 in 1863.

The following list contains the results of the last years for Prussia:—

Year.	Number of Industrial Breweries.		Amount of the Malt Tax.	At the rate of 20 sgr. per centner there has been levied Tax on Malt.
	Total.	In Towns.		
			Thalers.	Centners.
1860 ..	7,649	3,707	1,324,327	1,986,490½
1861 ..	7,530	3,689	1,382,692	2,074,038
1862 ..	7,442	3,660	1,476,206	2,214,309
1863 ..	7,359	3,654	1,629,225	2,443,837½
1864 ..	—	—	—	—

The quantity of beer made can only be estimated approximately. On an average, 100 quarts of beer are reckoned per centner of malt. The price of the whole quantity of beer made cannot be ascertained with certainty. The brewer generally sells the barrel of common Bavarian beer containing 100 quarts at 6 to 7 thalers (18*s.* to 21*s.*).

STATISTICS of the Brandy Distilleries in Prussia and in the other countries of the Verein, which share the Brandy Tax with Prussia in 1864.

A.—*Prussia and those Countries from which the Receipts are paid to Prussia.*

1	2	3	4	5	6	7	8	9	10
		Total of all Brandy Distilleries existing.		Of which were at work,		Of those Distilleries named in Columns 5 and 6, there paid duty on Brandy,			
No.	Countries of the Verein.	In Towns.	In the Country.	In Towns.	In the Country.	5,000 thalers and more.	500 to 5,000 thalers.	50 to 500 thalers.	Under 50 thalers.
1	Prussia—								
	(a.) East Prussia	73	458	64	423	7	386	98	1
	(b.) West Prussia	5	183	4	181	68	114	2	1
2	Posen	4	297	4	288	115	170	5	2
3	Pomerania	25	264	24	257	51	221	8	1
4	Silesia	220	1,065	188	901	74	560	373	82
5	Brandenburg—								
	(a.) Berlin	3	1	3	1	..	4	..	..
	(b.) Potsdam	24	240	21	229	55	177	15	3
	(c.) Frankfort	68	366	60	338	69	246	71	12
6	Saxony	172	300	149	276	90	282	43	10
7	Westphalia	225	380	202	334	2	236	267	31
8	Rhine	561	2,869	395	1,929	2	191	773	1,358
	Total	1,380	6,423	1,114	5,162	533	2,587	1,655	1,501
	Of which agricultural distilleries	..	..	..	..	..	228		
	There were in 1863	1,411	6,503	1,126	4,895	542	2,495	1,610	1,374
	Of which agricultural distilleries	..	..	..	..	..	195		
	There are in 1864—Increase	..	..	..	267	..	92	45	127
	,, Decrease	31	80	12	..	9	33	..	..

A.—*Prussia and those Countries from which the Receipts are paid to Prussia*—continued.

1	2	11	12	13	14	15	16	17	18
		Receipts from Brandy Tax.				There remain per Head,		Materials used in the Distillery.	
No.	Countries of the Verein.	Total exclusive of Restitution.	From which must be deducted as drawback on Exported Brandy.	There Remain,	Population according to Census of 1861.	Tax.	Quantity consumed at 2 silver-groschen per Quart.	Grain.	Potatoes.
1	Prussia—	Rths. sgr. pf.	Rths. sgr. pf.	Rths. sgr. pf.		Sgr. pf.		Scheffel.	Scheffel.
	(a.) East Prussia.. ..	651,298 9 0	11,443 20 0	639,854 19 0	1,678,465	11 5	5·72	363,922	1,946,292
	(b.) West Prussia ..	826,725 13 4	12,751 26 2	813,973 17 2	1,189,123	20 6	10·27	303,549	2,826,006
2	Posen	1,427,049 23 0	246,743 3 4	1,180,306 19 8	1,486,222	23 10	11·91	522,379	4,679,060
3	Pomerania..	1,010,838 18 6	200,736 16 8	810,102 1 10	1,388,522	17 6	8·75	376,043	2,901,652
4	Silesia	1,946,225 22 10	522,078 17 8	1,424,147 5 2	3,390,695	12 7	6·30	963,907	4,740,237
5	Brandenburg—								
	(a.) Berlin	13,516 18 0	104,410 10 2	÷90,893 22 2	559,227			5,419	38,515
	(b.) Potsdam	890,937 5 0	343,072 11 4	547,864 23 8	935,643	15 6	7·75	355,241	2,819,407
	(c.) Frankfort	1,126,888 13 0	309,011 19 0	817,876 24 0	971,760			347,456	3,559,114
6	Saxony	1,747,293 16 6	682,646 12 8	1,064,647 3 10	1,908,062	16 9	8·37	773,652	3,738,227
7	Westphalia..	367,552 14 11	784 0 6	366,768 14 5	1,783,507	6 2	3·8	357,311	29,133
8	Rhine	413,318 17 10	6,059 3 2	407,259 14 8	3,231,556	3 10	1·89	279,359	247,362
	Total	10,421,644 21 11	2,439,737 20 8	7,981,907 1 3	18,522,782	12 11	6·46	4,648,238	27,525,005
	Of which agricultural distilleries	365,078 4 3							
	There were in 1863	10,084,559 29 11	2,464,905 10 5	7,819,654 19 6	18,522,782	12 8	6·33	4,215,666	27,416,911
	Of which agricultural distilleries	313,783 14 0							
	There are in 1864—Increase ..	337,084 22 0	174,832 10 3	162,252 11 9	..	0 3	0·13	432,572	108,094
	,, Decrease ..	51,294 20 3							
		..	..	..	..	..	..	..	..

B.—*Countries and parts of the Verein which do not pay Receipts from Brandy Duty to Prussia.*

1	2	3	4	5	6	7	8	9	10
		Total of all Brandy Distilleries existing.		Of which were at work,		Of those Distilleries named in Columns 5 and 6, there paid duty on Brandy,			
No.	Countries of the Verein.	In Towns.	In the Country.	In Towns.	In the Country.	5,000 thalers and more.	500 to 5,000 thalers.	50 to 500 thalers.	Under 50 thalers.
1	Duchy of Anhalt	8	29	8	28	12	18	6	..
2	Allstedt and Oldisleben in Ducal Saxony ..	1	..	1	..	1	..	..	..
3	Duchy of Saxe-Coburg	..	1	..	1	..	..	1	..
4	Schwarzbourg-Sondershausen	..	..	..	..	..	..	..	..
5	Schwarzbourg-Rudolstadt	1	..	1	..	..	1	..	..
6	Principality of Birkenfeld	..	1	..	..	..	..	..	..
7	Schaumburg	1	9	..	3	..	2	1	..
	Total	11	40	10	32	13	21	8	..
	Of which agricultural distilleries	..	..	..	..	..	..	..	..
	There were in 1863	13	42	12	30	12	21	9	..
	Of which agricultural distilleries	..	..	..	..	..	..	..	..
	There were in 1864—Increase	..	..	..	2	1	..	..	..
	,, Decrease	2	2	..	..	..	..	1	..

B.—*Countries and parts of the Verein which do not pay Receipts from Brandy Duty to Prussia*—continued.

1	2	11	12	13	14	15	16	17	18
		Receipts from Brandy Tax.				There remain per Head,		Materials used in the Distillery.	
No.	Countries of the Verein.	Total exclusive of Restitution.	From which must be deducted as drawback on Exported Brandy.	There Remain,	Population according to Census of 1861.	Tax.	Quantity consumed at 2 silver-groschen per Quart.	Grain.	Potatoes.
		Rths. sgr. pf.	Rths. sgr. pf.	Rths. sgr. pf.		Sgr. pf.		Scheffel.	Scheffel.
1	Duchy of Anhalt	159,220 0 6	13,934 20 4	142,285 10 2	181,824	24 0	11·98	58,200	544,277
2	Allstedt and Oldisleben in Ducal Saxony	15,987 12 0	..	15,987 12 0	9,405	51 0	25·50	5,153	31,304
3	Duchy of Saxe-Coburg	428 21 0	..	428 21 0	2,904	4 5	2·21	133	1,060
4	Schwarzbourg-Sondershausen ..	..	..	..	37,109	..	..	..	..
5	Schwarzbourg-Rudolstadt	2,564 24 0	..	2,564 24 0	15,885	4 10	2·42	440	2,250
6	Principality of Birkenfeld	..	..	..	34,391	..	..	..	..
7	Schaumburg	2,070 27 0	..	2,070 27 0	36,325	1 8	0·83	2,612	70
	Total	180,271 24 6	13,934 20 4	166,337 4 2	317,843	15 8	7·85	66,538	578,961
	Of which agricultural distilleries ..	312 12 6							
	There were in 1863 ..	143,222 8 6	4,599 3 0	138,623 5 6	317,843	13 1	6·54	54,561	464,100
	Of which agricultural distilleries ..	306 17 6							
	There were in 1864—Increase ..	37,049 16 0	9,335 17 4	27,713 28 8	..	2 7	1·31	11,977	114,861
	,, Decrease ..	5 25 0	..	..	..	..	..	..	..

C.—*Kingdom of Saxony.*

1 No.	2 Countries of the Verein.	3 Total of all Brandy Distilleries existing. In Towns.	4 Total of all Brandy Distilleries existing. In the Country.	5 Of which were at work, In Towns.	6 Of which were at work, In the Country.	7 Of those Distilleries named in Columns 5 and 6, there paid duty on Brandy, 5,000 thalers and more.	8 500 to 5,000 thalers.	9 50 to 500 thalers.	10 Under 50 thalers.
	There were in 1864	55	685	42	602	21	461	142	20
	Of which agricultural distilleries	..	..	..	..	..	220	..	..
	There were in 1863	55	695	43	604	18	446	162	21
	Of which agricultural distilleries	..	..	..	..	..	207	..	..
	There were in 1864—Increase..	..	..	..	..	3	15	..	..
	,, Decrease	..	10	1	2	..	13	..	..
		..	..	..	..	..	..	20	1

C.—*Kingdom of Saxony*—continued.

1 No.	2 Countries of the Verein.	11 Receipts from Brandy Tax. Total exclusive of Restitution.	12 From which must be deducted as drawback on Exported Brandy.	13 There Remain,	14 Population according to Census of 1861.	15 There remain per Head. Tax.	16 Quantity consumed at 2 silver-groschen per Quart.	17 Materials used in the Distillery. Grain.	18 Potatoes.
		Rths. sgr. pf.	Rths. sgr. pf.	Rths. sgr. pf.		Sgr. pf.		Scheffel.	Scheffel.
	There were in 1864	925,752 23 0	214,652 0 11	711,100 22 1	2,225,240	9 7	4·79	188,790	1,423,635
	Of which agricultural distilleries ..	187,210 14 0							
	There were in 1863	857,146 20 0	161,903 19 2	695,243 0 10		9 4·5	4·69	166,539	1,503,856
	Of which agricultural distilleries ..	183,752 6 0							
	There were in 1864—Increase ..	68,606 3 0	52,748 11 9	15,857 21 3	..	0 2·5	0·10	22,251	..
		3,458 7 6							

D.—*Thuringian Verein.*

1	2	3	4	5	6	7	8	9	10
		Total of all Brandy Distilleries existing.		Of which were at work,		Of those Distilleries named in Columns 5 and 6, there paid duty on Brandy,			
No.	Countries of the Verein.	In Towns.	In the Country.	In Towns.	In the Country.	5,000 thalers and more.	500 to 5,000 thalers.	50 to 500 thalers.	Under 50 thalers.
1	The districts of Erfurt, Schlensingen, Ziegenrück, Kischlitz, and Mollschutz	2	14	1	11	..	4	5	3
2	Schmalkalden in Electoral Hesse	..	..	..	..	..	..	..	..
3	Duchy of Saxony including Melpers	3	39	3	29	..	13	18	1
4	Duchy of Saxe-Meiningen-Hilburghausen ..	3	18	1	13	..	4	7	3
5	Duchy of Saxe-Altenburg	2	31	2	29	..	21	10	..
6	Duchy of Saxe-Coburg, exclusive of Königsberg ..	..	4	..	2	..	..	2	..
7	Duchy of Saxe-Gotha	3	5	3	4	..	4	3	..
8	Schwarzbourg-Sondershausen	4	2	3	2	..	1	4	..
9	Schwarzbourg-Rudolstadt	..	2	..	2	..	2	..	..
10	Principality of Reuss, elder branch	..	5	..	3	..	2	1	..
11	„ „ younger branch	4	33	4	29	..	13	14	6
12	Kaulsdorf, in Bavaria	..	1	..	1	..	..	1	..
	Total	21	154	17	125	..	64	65	13
	Of which agricultural distilleries	..	..	..	..	..	37	..	..
	There were in 1863	21	164	17	124	..	63	61	17
	Of which agricultural distilleries	..	..	..	..	..	36	..	..
	There were in 1864—Increase	..	..	..	1	..	1	4	..
		..	..	..	..	..	1	..	..
	„ Decrease	..	10	..	..	..	..	..	4

D.—*Thuringian Verein*—continued.

1	2	11	12	13	14	15	16	17	18
		Receipts from Brandy Tax.				There remain per Head.		Materials used in Distilleries.	
No.	Countries of the Verein.	Total exclusive of Restitution.	From which must be deducted as drawback on Exported Brandy.	There remain,	Population according to Census of 1861.	Tax.	Quantity consumed at 2 silver-groschen per Quart.	Grain.	Potatoes.
		Rths. sgr. pf.	Rths. sgr. pf.	Rths. sgr. pf.		Sgr. pf.		Scheffel.	Scheffel.
1	The districts of Erfurt, Schlensingen, Ziegenrück, Kischlitz, and Mollschutz	6,510 25 0	1,462 11 8	5,048 13 4	108,453	1 5	0·7	3,855	17,233
2	Schmalkalden in Electoral Hesse	..	..	..	27,774	..	..	..	..
3	Duchy of Saxony, including Melpers ..	21,313 12 6	5,466 16 0	15,846 26 6	260,202	1 10	0·9	22,785	31,359
4	Duchy of Saxe-Meiningen-Hilburghausen ..	6,048 4 0	3,903 0 10	2,145 3 2	172,341	0 4	0·1	4,557	15,239
5	Duchy of Saxe-Altenburg	34,322 23 6	338 7 6	34,084 16 0	137,162	7 5	3·7	14,251	128,714
6	Duchy of Saxe-Coburg, exclusive of Königsberg	195 10 0	..	195 10 0	44,566	0 2	0·0	65	574
7	Duchy of Saxe-Gotha	6,143 5 0	86 20 10	6,056 14 2	109,513	1 8	0·8	2,916	18,949
8	Schwarzbourg-Sondershausen	1,957 8 6	53 23 0	1,903 15 6	27,786	2 1	1·0	827	5,623
9	Schwarzbourg-Rudolstadt	1,425 25 6	135 22 0	1,290 3 6	56,028	0 8	0·3	837	5,023
10	Principality of Reuss, elder branch ..	2,498 2 0	..	2,498 2 0	42,130	1 9	0·8	1,006	9,204
11	,, ,, younger branch ..	14,032 20 0	735 13 2	13,297 6 10	83,360	4 9	2·3	5,659	57,286
12	Kaulsdorf, in Bavaria	164 15 0	..	164 15 0	506	9 9	4·8	52	426
	Total	94,712 1 0	12,181 25 0	82,530 6 0	1,069,821	2 3·7	1·1	56,810	289,630
								Flour.	
	Of which agricultural distilleries	39,285 22 0	..	..	..	..	..	1,573	..
	There were in 1863	85,851 25 0	11,321 12 4	74,530 12 8	1,069,821	2 1	1	49,917	245,590·3
	Of which agricultural distilleries	36,167 10 0	..	..	..	..	..	251	..
	There were in 1864—Increase ..	8,860 6 0	860 12 8	7,999 23 4	..	0 2·7	0·1	6,893	44,039·7
		3,118 12 0	..	..	..	..	..	1,322	..
	,, Decrease ..	..	..	..	..	..	..	..	..

E.—Recapitulation.

1	2	3	4	5	6	7	8	9	10
		Total of all Brandy Distilleries existing.		Of which were at work,		Of those Distilleries named in Columns 5 and 6, there paid duty on Brandy,			
No.	Countries of the Verein.	In Towns.	In the Country.	In Towns.	In the Country.	5,000 thalers and more.	500 to 5,000 thalers.	50 to 500 thalers.	Under 50 thalers.
A	Kingdom of Prussia, exclusive of Thuringian Verein, inclusive of those parts in close connexion with Prussia, and who pay receipts to Prussia ..	1,380	6,423	1,114	5,162	833	2,587	1,655	1,501
B	Countries and States of the Verein which do not pay receipts to Prussia	11	40	10	32	13	21	8	..
C	Kingdom of Saxony	55	685	42	602	21	461	142	20
D	Thuringian Verein	21	154	17	125	..	64	65	13
	Total	1,467	7,302	1,183	5,921	567	3,133	1,870	1,534
	Of which agricultural distilleries	..	..	..	..	..	485	..	..
	There were in 1863	1,500	7,404	1,198	5,653	572	3,025	1,842	1,412
	Of which agricultural distilleries	..	..	..	..	..	438	..	..
	There were in 1864—Increase	..	..	..	268	..	108	28	122
	„ Decrease	33	102	15	..	5	47 ..	..	..

E.—Recapitulation—*continued.*

1	2	11	12	13	14	15	16	17	18
		Receipts from Brandy Tax.			Population according to Census of 1861.	There remain per Head,		Materials used in Distilleries.	
No.	Countries of the Verein.	Total exclusive of Restitution.	From which must be deducted as drawback on Exported Brandy.	There remain,		Tax.	Quantity consumed at 2 silver groschen per Quart.	Grain.	Potatoes.
		Rths. sgr. pf.	Rths. gr. pf	Rths. sgr. pf.		Sgr. pf.		Scheffel.	Scheffel.
A	Kingdom of Prussia exclusive of Thuringian Verein, inclusive of those parts in close connection with Prussia, and who pay receipts to Prussia	10,421,644 21 11	2,439,737 20 8 *8,922 14 0	7,972,98 17 3	18,522,782	12 11	6·46	4,648,238	27,525,005
B	Countries and States of the Verein which do not pay receipts to Prussia	180,271 24 6	13,934 20 4	166,337 4 2	317,843	15 8	7·85	66,538	578,961
C	Kingdom of Saxony	925,752 23 0	214,652 0 11	711,100 22 1	2,225,240	9 7	4·79	361,155	2,723,413
D	Thuringian Verein	94,712 1 0	12,181 25 0	82,530 6 0	1,069,821	2 3·7	1·1	56,810	289,630
	Total	11,622,381 10 5	2,689,428 20 11	8,932,952 19 6	22,135,686	12 1·3	6·5	5,132,741 Flour.	31,117,009
	Of which agricultural distilleries	591,886 22 9	..	..	..	..	..	1,573	
	There were in 1863	11,170,780 23 5	2,453,542 0 3	8,717,238 23 2	22,135,686	11 9·8	5·91	4,638,733	31,003,478
	Of which agricultural distilleries	534,009 18 0	..	..	..	..	..	251	
	There were in 1864—Increase..	451,600 17 0	235,886 20 8	215,713 26 4	..	0 3·5	0·14	494 008	113,531
	,, Decrease..	57,877 4 9	..	..	..	..	..	1,322	
		..	..	..	..	..	..	..	

* To the Grand Ducal Government of Luxemburg, and for the Prussian garrison at Luxemburg.

(No. 13.)—Abstract of the Cultivation of Tobacco in the Kingdom of Prussia in 1864.

Provinces.	Area of land planted with Tobacco in 1864.										Planted with Tobacco, but not subject to Tax.		Total Amount of Area planted with Tobacco.	
	Class of Tax and Amount of Tobacco Land in each Class.								Total Amount of Area.					
	1st Class.		2nd Class.		3rd Class.		4th Class.							
	Morg.	sq. r.	Morg.	sq. r.	Morg.	sq. r.	Morg.	sq. r.	Morg.	sq. r.	Morg.	sq. r.	Morg.	sq. r.
East Prussia	..		11	99	260	101	16	43	288	63	499	53	787	116
West Prussia	..		74	112	1,681	55	10	172	1,766	159	127	111	1,894	90
Posen	..		24	23	1,282	117	7	69	1,314	29	193	76	1,507	105
Pomerania	..		4,455	155	755	83	90	4	5,301	62	209	151	5,511	33
Silesia	..		..		2,889	3	446	51	3,335	54	144	166	3,480	40
Berlin	..		..		..		..		..		..		..	
Potsdam	..		6,456	26	160	151	309	76	6,926	73	41	156	6,968	49
Frankfort	..		4	15	1,908	156	47	116	1,960	107	300	167	2,261	94
Saxony	488	1	2,389	59	149	59	322	17	3,348	136	11	50	3,360	6
Westphalia	9	8	5	86	..		0	25	14	119	0	17	14	136
Rhine	1,401	69	891	99	50	169	8	166	2,352	143	15	88	2,368	51
Total	1,898	78	14,312	134	9,138	174	1,259	19	26,609	45	1,544	135	28,154	0

(No. 14.)—Abstract of the Cultivation of the Vine in Prussia, 1864.

	Productive Ground.		Amount of Wine obtained (inclusive of Home Consumption, free of Tax).	
A. Rhine Provinces:—	Morg.	sq. r.	Eimer	quart.
Class 1	150	48	398	34
Class 2	1,255	13	2,660	34
Class 3	9,136	87	43,852	1
Class 4	15,351	146	121,347	56
Class 5	11,773	76	82,194	29
Class 6	9,049	63	70,017	44
Total	46,716	73	320,471	18
Of which, on the Moselle ..	22,223	17	218,511	1
On the Rhine . ..	10,660	137	23,238	6
Elsewhere	13,832	99	78,722	11
Total	46,716	73	320,471	18
B. Province of Saxony (including those parts of Prussia belonging to Thuringian Verein)	3,127	75	1,264	24
C. Province of Brandenburg	4,398	144	2,371	17
D. Province of Silesia	6,020	133	8,719	35
E. Province of Posen	858	6	691	22
Total in Prussia ..	61,121	71	333,517	56

From B to E do not produce wine of the Classes 4, 5, and 6. The other provinces do not produce any wine.

There were, moreover, imported 2,100 eimer of pressed grapes from the country close to Prussia in the Rhenish provinces.

(No. 15.)—STATISTICS of the Breweries in Prussia and in those Countries and parts of the Zollverein whose Governments share in common the Transport Dues on Beer with Prussia, for 1864.

	1a. Breweries that sell Beer, and are subject to Trade Tax. ("Gewerke Steuer.")		1b. Breweries that do not Trade, but only make for House Consumption.		1c. Free of Tax, Brewed in Kettles for Home use.	2. Amount of Malt Tax (inclusive of Register defects and after deduction of Indemnifications, Restitutions, &c.)	3. Trading Breweries which make Vinegar from Malt, but are not at the same time Breweries.		
	In the Town.	In the Country.	In the Town.	In the Country.	Number of Permissions given in the course of the Year.	Rth. sgr. pf.	Number in Town.	Number in Country.	Amount of Tax raised. Rth. sgr. pf.
I. Prussia and those countries and parts of the Verein out of which the receipts go into Prussian chests:—									
1. East Prussia	282	178	7	121	5,596	202,522 25 1	...	...	...
1. West Prussia	101	30	...	...	...	97,614 0 5	2	...	800 0 0
	...	...	...	...	...	10,007 15 7	...	...	...
2. Posen	158	88	...	...	...	50,688 10 11	...	...	...
3. Pomerania	193	28	1	151	4,103	56,294 23 8	...	...	...
4. Silesia	430	834	1	3	6	256,525 22 8	3	...	32 15 0
5. Berlin	41	...	...	...	...	193,899 19 11	...	...	...
5. a. Potsdam	187	32	...	23	880	81,828 6 5	1	...	1 10 0
5. b. Frankfort	163	176	...	4	9	73,821 22 8	4	...	...
6. Thuringian Verein and Saxony	509	468	4	79	1,331	297,668 12 3	19	28	211 15 0
7. Westphalia	679	578	18	1,977	483	113,921 25 0	3	...	462 0 0
8. Rhine	987	1,271	9	239	4	312,202 20 4	4	4	194 27 6
Total	3,730	3,683	40	2,597	12,412	1,736,988 9 4	36	32	1,702 7 6
	...	...	...	...	...	10,007 15 7	...	...	...
Total in 1863	3,697	3,753	35	2,700	12,752	1,640,262 27 8	46	36	2,065 21 3
	...	...	...	...	...	5,240 12 10	...	...	...
In 1864 More	33	...	5	...	...	96,725 11 8	...	...	...
	...	...	...	...	...	4,767 2 9	...	...	...
In 1864 Less	70	70	...	103	340	...	10	4	363 13 9
Under the above numbers are included:—									
5a. Rossow, Netzeband, and Schoneberg in Mecklenburg	...	...	...	...	...	...	...	...	...
6. Parts of Hanover and Brunswick, under Prussian Administration	4	16	...	...	52	1,827 22 6	...	...	...
7. Waldeck	19	6	...	1	...	2,099 5 0	...	...	...
7. Pyrmont	1	...	...	...	...	1,147 17 6	...	...	...
7. Lippe and Gravenhagen	12	17	1	19	16	6,568 25 0	...	...	...
7. Lipperode and Kappel	...	2	...	...	...	140 0 0	...	...	...
8. Meisenheim	8	5	...	...	...	1,261 11 0	...	...	...

States of the Verein.	1a. Breweries that sell Beer, and are subject to Trade Ta ("Gewerke Steuer.")		1b. Breweries that do not Trade, but only make for House Consumption.		1c. Free of Tax, Brewed in Kettles for Home use.	2. Amount of Malt Tax (inclusive of Register defects and after deduction of Indemnifications, Restitutions, &c.)	3. Trading Breweries which make Vinegar from Malt, but are not at the same time Breweries.		
	In the Town.	In the Country.	In the Town.	In the Country.	Number of Permissions given in the course of the Year.		Number in Town.	Number in Country.	Amount of Tax raised.
						Rth. sgr. pf.			Rth. sgr. pf.
II. States of the Verein in close connection with Prussia, raising their own malt tax:—									
a. Anhalt	62	24	...	3	...	23,630 23 9	4	...	10 0 0
b. Allstedt and Oldisleben	1	2	...	2	...	1,056 5 0	...	...	...
c. Volkenrode	...	2	...	1	...	139 5 0	...	...	...
d. Schwarzburg-Sondershausen ...	13	10	...	2	...	6,286 18 0	...	...	...
e. Schwarzburg-Rudolstadt ...	2	16	1	5	...	2,583 27 4	...	...	...
f. Birkenfeld	7	15	...	...	...	2,466 0 0	...	...	...
Total II	85	69	1	13	...	36,162 19 1	4	...	10 0 0
To which is added, (I) Prussia	3,730	3,683	40	2,597	12,412	1,736.988 9 4	36	32	1,702 6
Total I and II	3,815	3,752	41	2,610	12,412	1,773,150 28 5	40	32	1,712 7 6
And Luxemburg	19	25	...	...	...	19,086 5 3	...	...	...
III. Saxony	171	597	...	...	...	396,700 14 11	...	...	...
IV. Thuringia (exclusive of Prussian territory)	175	1,175	7	469	128	293,039 11 7	...	6	53 0 0
V. Brunswick	64	24	1	7	...	31,982 5 4	1	...	140 0 0
Total	4,244	5,573	49	3,086	12,540	2,513,958 5 6	41	38	1,905 7 6
Under the above Head V are included the Prussian places Wolfsburg, Hetchingen, Hesslingen, and Lüchtringen	...	3	...	...	...	1,028 25 2	...	...	...

(No. 16.)—*On the Production and Consumption of Sugar in the Zollverein.*

The time when Europeans were first acquainted with sugar cannot be ascertained exactly, as, from the statements of different authors, of Theophrast, Pliny, Paulus Ægineta and others, as well as of the Grecian physicians Dioscorides and Ardisgenes, nothing can be inferred, but that the nations of antiquity knew the sugar-cane and the condensed juice of it, and made use of the latter in medicine. It appears that the Chinese understood the pressing out of the juice much earlier, for A. von Humboldt has seen very old Chinese porcelain pictures representing the different proceedings in obtaining this juice. Asia is, no doubt, the mother-country of the sugar-cane. From there it was transplanted by the Saracens during the ninth and eleventh centuries with their conquests to Cyprus, Rhodes, Sicily, and Crete, as well as to the Mediterranean generally, from whence it became more known to the western nations through the Crusaders, and particularly through the Venetians, so that it found its way in the fifteenth century by Madeira and the Canary Islands to the Brazils, and in the sixteenth century to the West Indies. So much is certain, at least, that in America and the West Indies the cultivation of the sugar-cane did not begin on any large scale until the Europeens commenced it there.

The first importation of sugar into Europe, of which any record exists, took place in the year 996 at Venice. In 1319 the Venetians, at that time in possession of the great carrying trade between Europe and Asia, brought to London a cargo of 100,000 lbs. of sugar and of 10,000 lbs. of sugar-candy. It is unknown when the first sugar, in its present form, found its way to Germany, *i.e.*, to the present Zollverein; it is a fact, however, that the Patrician Roth at Augsburg started in 1573 the first sugar refinery, which was followed by a second one at Dresden in 1597. From that time the consumption of sugar increased very rapidly, and whilst in the beginning it was found only in the apothecaries' shops, it is now counted among the most necessary requisites of each household. However, without the beet-root sugar home-industry, owing its origin to the Prussian chemist Marggraf, born at Berlin, 1709, one would still be far from having obtained that result.

On the 3rd of March, 1747, that is to say, at a time when in consequence of the great naval wars sugar had risen so high in price that its consumption had declined considerably, the chemist Andrew Sigismund Marggraf, in his capacity as Director of the physical section of the Academy of Sciences at Berlin, delivered in a general meeting of the said Academy, a lecture, in which he showed that the same crystalline sugar was to be found in several inland plants and roots as in the sugar cane, and that he had found the largest proportion in the white, so-called Silesian, beet-root. He proved further by samples handed round, and by a special explanation of his method, that the production of sugar on a large scale out of the beet-root was not only possible, but also profitable. The peace which was soon after concluded between the belligerent Powers, and a considerable decline of the sugar prices caused thereby, were most likely the chief cause that this important discovery had then no practical consequences. It was not until after the death of Marggraf that his pupil Achard took up again the subject, and realized the idea practically, establishing in the last decennium of the last century the first refinery on the estate Lunern in Silesia, presented to him by the King. There he refined, assisted by the Government and under the control of an officer, who had been attached to him in order to observe the development of this branch of industry, daily 70 cwt. of beet-root, out of which he obtained, according to his statement, 6 per cent. of yellow raw sugar, or 5 per cent. of discoloured sugar, and 3 per cent. of treacle.

In the month of Brumaire, year 7 of the Republic (November 1799), a letter of Achard was published by Van Mons in the "Annales de Chimie," in which he communicated the results of his establishment at Lunern. He states the cost of producing his raw sugar to be 65 centimes per kilo, and mentions the advantages derivable from the refuse of the refinery, the marrow of the beet-root, the leaves and the treacle, stating as a proof that he was feeding a large number of cattle, and that he was making brandy out of the treacle. This letter created a great sensation in France; all newspapers inserted it in their columns, and, considering the high sugar prices then existing in France after the loss of its colonies, the "Institut National" charged some of its most eminent chemists to investigate and report about the system of Achard. This

report was delivered in the month of Messidor of the year 8 of the Republic (1800), by M. Deyeux; and though it appeared that the description of the advantages of the production of beet-root sugar was somewhat exaggerated, still, as a trial, two establishments were set up in the neighbourhood of Paris, one at Saint Quen, the other at the old Abbey of Chelles. Both, however, fell short of the results announced by Achard. They were therefore not continued, and this branch of industry was no more mentioned and alluded to in France, except in ridicule.

Two new establishments were set up in the meantime in Germany, that is to say, in Prussia, one by Baron von Koppy at Krain, grandfather of Baron W. von Koppy, well known for growing beet-root seed at Olbendorf in Silesia; the other by Nethusins, a man of great merit, at Atheldensleben near Magdeburg: and the results of these three establishments, as well as a book published in 1809 by the Prussian chemist Hermbstradt as to his results, attracted again the attention of France to this subject. Deyeux and Derosne in 1810, and Barruel and Isnard in 1811, made new experiments according to the systems of Marggraf, respectively of Achard and Hermbstaedt, which were crowned by a better result than the preceding ones. Whilst the sacrifices of the war 1813–15, and its consequences, interrupted a further prosperous development of this branch of industry in its Prussian and German mother-country, the production of beet-root sugar in France increased more and more in consequence of the progress made in chemistry and in mechanics. The method of refining has been improved considerably, and the manufacturers succeeded, by employing animal coal, in producing the sugar purer and in a larger per-centage. In 1828, France produced in 103 establishments, no less than 60,000 cwt. of beet-root sugar; in the statistical year 1836–37 even 980,000 cwt.; but in 1839–40, in consequence of the levying of a tax on the inland production, only 440,000 cwt.

The production of beet-root sugar in the Zollverein remained without any influence worth mentioning up to 1836, as the demand for sugar was almost entirely met by the import of Indian sugar. An alteration took place only when the inland production of beet-root sugar had spread more, until finally it reached such an extent that at present it covers the entire demand of sugar of the Zollverein, and

reduces the consumption of Indian sugar to a mere fraction. In the year 1836-37 the Zollverein counted 122 establishments, which have increased up to 296 at present really in action.

The following Table A shows the enormous rise of the production of beet-root sugar in the Zollverein during the twenty-nine years 1836-37 to 1864-65, respectively, in the thirty calendar years 1836 to 1845 :—

(A.)—AMOUNT of Sugar produced in the Zollverein in the twenty-nine Years ("campagnen") 1836–37 to 1864–65, and in the thirty calendar Years from 1837 to 1865.

Campagne (year).	Number of Factories in active employ.	Fresh Beet-roots used (the dried reduced to amount of fresh).	Produce of raw sugar (melis reduced to raw sugar).	Gain of Molasses.	Refuse from pressing.	Refuse of Beet-roots.	Tax levied.		Amount of Beet-root used per Zollverein centner of raw sugar.	Gain.		Per-centage of		Average of, per Factory.	
							Per Zoll.centner of fresh Beet-roots.	Gross.		Raw Sugar.	Molasses.	Refuse from pressing.	Refuse of Beet-root.	Beet-roots used.	Raw Sugar produced.
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.	13.	14.	15.	16.
		Zoll. centner.	Zoll. centner.	Zoll. centner.	Zoll. centner.	Zoll. centner.	Sil. gros.	Rixthalers.	Zoll. cntr.	Per cent.	Per cent.			Zoll. cntnr.	Zoll. cntnr.
1836–37 ...	122	506,923	28,162	21,798	119,127	17,742	...	...	18·00	5·50	4·30	23·50	3·50	4,155	231
1837–38 ...	156	2,763,942	153,552	118,850	649,526	105,030	...	...	18·00	5·50	4·30	23·50	3·80	17,712	984
1838–39 ...	159	2,904,208	163,158	116,168	679,585	116,168	...	...	17·80	5·62	4·00	23·40	4·00	18,266	1,026
1839–40 ...	152	4,405,637	253,198	167,414	1,026,513	180,631	...	...	17·40	5·75	3·80	23·30	4·10	28,984	1,666
1840–41 ...	145	4,829,734	284,102	178,700	1,120,498	202,849	¼	40,248	17·00	5·88	3·70	23·20	4·20	33,309	1,959
1841–42 ...	135	5,131,516	314,817	179,603	1,180,249	220,655	¼	85,525	16·30	6·13	3·50	23·00	4·30	38,011	2,332
1842–43 ...	98	2,475,745	154,734	81,700	561,994	111,409	½	41,262	16 00	6·25	3·30	22·70	4·50	25,263	1,579
1843–44 ...	105	4,349,667	286,162	139,189	969,976	191,385	½	72,494	15·20	6·58	3·20	22·30	4·40	41,425	2,725
1844–45 ...	98	3,890,404	259,360	124,493	855,889	178,959	½	194.520	15·00	6·67	3·20	22 00	4·60	39,698	2,647
1845–46 ...	96	4,455,092	303,068	138,108	966,755	200,479	½	222,755	14·70	6·80	3·10	21·70	4·50	46,407	3,157
1846–47 ...	107	5,633,848	402,418	169,015	1,205,643	264,970	½	281,692	14·00	7·14	3·00	21·10	4·70	52,653	3,761
1847–48 ...	127	7,676,772	536,837	230,303	1,612,122	345,455	½	383,839	14·30	7·00	3·00	21·00	4·50	60,447	4,227
1848–49 ...	145	9.896,718	717,154	287,605	2,058,517	455,249	½	494,836	13·80	7·25	2·90	20·80	4 60	68,253	4,946
1849–50 ...	149	11,525,671	847,475	322,719	2,362,763	553,232	½	576,284	13·60	7·35	2·80	20·50	4·80	77,876	5,726
1850–51 ...	184	14,724,329	1,066,979	397,556	2,989,035	736,215	3	1,472,431	13·80	7·25	2·70	20·30	5·00	80,023	5,799
1851–52 ...	234	18,289,901	1,261,372	512,117	3,694,560	951,075	3	1,828,990	14·50	6·90	2·80	20 20	5·20	78,162	5,390
1852–53 ...	238	21,717,096	1,696,648	542,927	4,343,419	1,194,440	3	2,171,710	12·80	7·81	2 50	20 00	5·30	91,249	7,128
1853–54 ...	227	18,469,890	1,420,761	443,277	3,657,038	1,034,314	6	3,693,978	13·00	7·70	2·40	19·80	5·60	81,365	6,259
1854–55 ...	222	19,188,402	1,572,820	441,333	3,780,115	1,055,362	6	3,837,680	12·20	8·20	2·30	19·70	5·50	86,434	7,085
1855–56 ...	216	21,839,799	1,747,184	513,235	4,280,601	1,223,029	6	4,367,960	12·50	8·00	2·35	19·60	5·60	101,110	8,089
1856–57 ...	233	27,551,208	2,071,519	633,678	5,372,486	1,597,970	6	5,510,242	13·30	7·52	2·30	19·50	5·80	118,246	8,891
1857–58 ...	249	28,915,134	2,409,594	636,133	5,609,536	1,734,908	6	5,783,027	12·00	8·33	2·20	19·40	6·00	116,125	9,677
1858–59 ...	257	36,668,557	2,887,288	843,377	7,077,032	2,273,451	7½	9,167,139	12·70	7 87	2·30	19·30	6 20	142,679	11,235
1859–60 ...	256	34,399,317	2,915,196	756,785	6,604,669	2,167,157	7½	8,599,829	11·80	8·47	2·20	19·20	6·30	134,373	11,388
1860–61 ...	247	29,354,032	2,530,520	631,112	5,606,620	1,878,658	7½	7,338,508	11·60	8·62	2·15	19·10	6·40	118,843	10,245
1861–62 ...	247	31,692,394	2,515,269	713,079	6,021,555	2,060,006	7½	7,923,099	12·60	7·94	2·25	19·00	6·50	128,309	10,183
1862–63 ...	247	36,719,259	2,760,847	789,464	6,939,940	2,386,752	7½	9,179,815	13·30	7·52	2·15	18·90	6·50	148,661	11,178
1863–64 ...	253	39,911,520	3,023,600	878,053	7,503,366	2,634,160	7½	9,977,880	13·20	7·58	2·20	18·80	6·60	157,753	11,951
1864–65 ...	270	41,641,204	3,413,214	936,927	7,870,188	2,665,037	7½	10,410,301	12·20	8·20	2·25	18·90	6·40	154,227	12,642

Amount of Sugar produced, &c.—*continued.*

Calendar Year.	Population.		Fresh Beet-roots used.			Produce of Raw Sugar.			
	According to Census taken every three years.	Progress as seen from the adjoining column.	In Period		Total in Calendar Year.	In Period		Total in Calendar Year.	Per head, according to No. 19.
			1st of January to end of August.	1st September to end of December.		1st January to end of August.	1st September to end of December.		
17.	18.	19.	20.	21.	22.	23.	24.	25.	26.
			Zollverein centner.	Zollverein centner.	Zollverein centner.	Zollverein centner.	Zollverein centner.	Zollverein centner.	Lbs.
1836	25,150,216	25,402,000	?	506,923	506,923	?	28,162	28,162	0·11
1837	25,150,898	25,703,000	?	1,842,628	1,842,828	?	103,187	103,187	0·40
1838	26,048,970	26,049,000	921,314	1,936,139	2,857,453	50,365	110,360	160,725	0·62
1839	26,048,970	26,382,000	968,069	2,937,091	3,905,160	52,798	170,351	223,149	0·85
1840	26,048,001	26,746,000	1,468,546	3,219,823	4,688,369	82,847	193,189	276,036	1·03
1841	27,142,116	27,142,000	1,609,911	3,421,011	5,030,922	90,913	212,103	303,016	1·11
1842	27,578,526	27,870,000	1,710,505	1,943,220	3,653,725	102,714	122,423	225,137	0·81
1843	27,622,999	28,207,000	532,525	2,462,356	2,994,881	32,311	164,978	197,289	0·70
1844	28,488,136	28,498,000	1,887,311	2,581,533	4,468,844	121,184	175,544	296,728	1·04
1845	28,499,566	28,795,000	1,308,871	3,085,627	4,394,498	83,816	212,908	296,724	1·03
1846	28,508,594	29,113,000	1,369,465	3,299,334	4,668,799	90,160	240,851	331,011	1·14
1847	29,461,381	29,461,000	2,334,514	3,990,358	6,324,872	161,567	285,311	446,878	1·52
1848	29,460,764	29,560,000	3,686,414	5,599,007	9,285,421	251,526	414,327	665,853	2·25
1849	29,460,628	29,673,000	4,297,711	6,823,535	11,121,246	302,827	511,765	814,592	2·75
1850	29,800,063	29,800,000	4,702,136	8,048,063	12,750,199	335,710	595,557	931,267	3·13
1851	29,800,063	30,011,000	6,676,246	10,375,163	17,051,409	471,422	731,449	1,202,871	4·01
1852	29,800,063	30,242,000	7,914,738	13,369,828	21,284,566	529,923	1,056,216	1,586,139	5·25
1853	30,492,792	30,493,000	8,347,268	11,858,930	20,206,198	640,432	924,997	1,565,429	5·13
1854	32,559,173	32,682,000	6,610,960	12,118,357	18,729,317	495,764	1,011,883	1,507,647	4·61
1855	32,559,161	32,832,000	7,070,045	12,604,573	19,674,618	560,937	1,027,273	1,588,210	4·84
1856	32,721,344	32,993,000	9,235,226	14,185,955	23,421,181	719,911	1,088,063	1,807,974	5·48
1857	32,722,306	33,195,000	13,365,253	15,984,320	29,349,573	983,456	1,358 667	2,342,123	7·06
1858	33,4: 0,647	33,461,000	12,930,814	19,322,077	32,252,891	1,050,927	1,545 766	2,596,693	7·76
1859	33,542,352	33,542,000	17,346,480	19,877,102	37,223,582	1,341,522	1,709,431	3,050,953	9·10
1860	33,541,145	33,903,000	14,522,215	18,108,990	32.631,205	1,205,765	1,784,537	2,790,302	8 23
1861	33,541,365	34,279,000	11,245,042	20,234,838	31,479,880	945,983	1,628,904	2,574,887	7·51
1862	34,670,308	34,670,000	11.457,556	21,740,040	32,197,596	886,365	1,667,461	2,553,826	7·37
1863	34,670,214	35,052,000	14,979 219	22,924,577	37,903,796	1,093,386	1,769,777	2,863,163	8·17
1864	24,670,533	35,458,000	16,986,913	23,225,149	40,212,092	1,253,823	1,939,300	3,193,123	9·01
1865	35,887,022	35,887,000	18,416,055	25,695,694	44,111,749	1,473,914	2,209,830	3,683,744	10·26

Of the 122 beet-root sugar refineries at work in the managing year 1836-37 there were 90 in Prussia and 32 in the other States of the Zollverein. In the managing year 1864-65 there were 270 establishments at work, 234 of which were in Prussia and the Duchy of Anhalt and the enclaves belonging to Weimar and Schwarzburg, whilst the other 36 are distributed among the other States. The considerable increase of the number of active establishments is, therefore, solely due to Prussia, where their number has nearly been trebled since 1836-37, whilst in the other States it has only increased by 4, viz., from 32 to 36.

The taxation of the inland beet-root sugar with $\frac{1}{4}$ silver-groschen per cwt. of dressed green beet-roots reduced, according to column 2 of Table A, the total number of the active establishments of the year 1840-41 from 152 to 145, and, when the tax was doubled in the next year, to 98 establishments in 1842-43. The smaller and less well-arranged establishments could not keep up with the larger sister establishments, constructed according to a newer system, nor could they resist the competition of the Colonial sugar, just then making every effort to keep the field, and were, therefore, compelled to leave off working. The managing year 1844-45 saw again 105 establishments in activity, but the raising of the tax to $1\frac{1}{2}$ silver-groschen diminished their number in the following years respectively to 98 and 96.

From 1846-47 the beet-root sugar industry of the Zollverein met with a decided rise. The number of establishments increased rapidly from year to year, and the monopoly of the Colonial sugar refineries to fix the sugar prices in the Zollverein having been broken by the establishing of the so-called "Melis" (sugar of best quality) refineries, the beet-root sugar, assisted by the important improvement in its modes of preparation, offered to the Colonial productions so successful a competition, that even another doubling of the tax, *i. e.*, making it to be 3 silver-groschen in the year 1850-51 could not impede a further important increase of establishments.

The quantity of beet-root used increased in a still larger scale. For even if, considering that the quantity of beet-root used in the first years may have been in reality a larger one, and that the official annotations commence only with the taxing of the beet-root, beginning in 1840-41,

even if we compare, therefore, only the latter, *i.e.*, the official figures, still we find from the columns 2 and 3 of Table A that, in the twenty-five years 1840-41 to 1864-65 the number of active refineries rose from 145 to 270, that is, only 186 per cent.; whilst the production of beet-root sugar rose from 4,829,734 cwt. to 41,641,204 cwt., that is, 682 per cent. This accounts for the increase of the average consumption of beet-root by each refinery, as shown in column 15, Table A. Each refinery consumed accordingly, in 1836-37, only 4,455 cwt.; in 1840-41, as much as 33,309 cwt.; in 1864-65, even 145,227 cwt. The decline now and then, as shown in the columns 3 and 15 of Table A, against the preceding year, is almost exclusively accounted for by unfavourable beet-root harvests.

The taxes in the Zollverein are calculated according to the raw material, *i.e.*, the quantity of the fresh beet-root to be consumed, which quantity is each time officially ascertained and registered. Dried beet-root, not being used very frequently, are, if this is the case, calculated in a proportion of now $4\frac{3}{4}$, formerly 5 and $5\frac{1}{2}$, for the object of taxation. The great advances made by the beet-root sugar industry of the Zollverein are owing partially to this mode of taxation, which, leaving full play to every sort of refinery, urged on the cultivation of beet-root, as rich in sugar as possible, the real foundation of this branch of industry. The proportion of the tax, as shown by column 8, Table A, has been raised from $\frac{1}{4}$ silvergroschen per cwt. to $7\frac{1}{2}$ silvergroschen per cwt., that is, thirty times, whilst the revenue derived from the tax according to column 9 has risen from 40,248 thalers to 10,410,301 thalers, that is, 259 times.

The quantity of sugar produced has, of course, not been controlled so carefully in the Zollverein, as it is done in those countries where the sugar itself is the scale of taxation. Notwithstanding, official computations as to the results of the beet-root sugar refineries are drawn up in the individual States, and it is to be lamented, in the interest of statistics, that this valuable material is not collected in a similar way as that with regard to the fresh beet-root. Generally the Governments of the Zollverein States suppose that the raw sugar produced up to 1845-46 amounted to 5 per cent.; from then till 1854-55, $6\frac{2}{3}$ per cent.; and since then, 8 per cent. of the weight of beet-root consumed; or that, in other words, there were required, in order to have 1 cwt. of raw sugar, 20 cwt. of

fresh beet-root up to 1845-46; from then till 1854-55, 15 cwt.; and, since then, 12½ cwt. These average figures are, on the whole, correct, according to the judgment of competent parties, and represent the immense progress made by the beet-root sugar industry, as well on the field of the technical management as with regard to the cultivation of the beet-root. It is, however, obvious that the different weather of the different years produced a greater or smaller proportion of sugar and salt in the beet-root, and that thereby, as well as by the easier or more difficult preparation of the juice, many deviations as to the final result of sugar in the different years were caused. Basing upon the figures given very obligingly by the refineries there will be found in the columns 4 to 7 of Table A the result of the investigations collected, not without considerable trouble, during a number of years. There is no doubt that these figures, based everywhere on the quantity of beet-root, as ascertained officially, are correct, not only with regard to the produced sugar and treacle, but also with regard to the quantity of substance after the pressing, and bits of beet-root cut off. The production of raw sugar has risen accordingly in the time 1840-41 to 1864-65 from 284,102 to 3,413,204 cwt., that is, quite 1,201 per cent. Treacle, also, from 178,700 to 936,927 cwt.; substance after the pressing, from 1,120,498 to 7,870,188 cwt.; and the bits cut off from 202,849 to 2,665,037 cwt. Columns 10 to 14 of Table A show the proportions of the production of sugar and treacle respectively, the per-centage of the substance after the pressing and the bits cut off; and column 16 shows the average quantity of raw sugar produced in each refinery. Columns 10 and 11 show, together with the above-mentioned fluctuations caused by the larger or smaller per-centage of sugar in the beet-root, a considerable increase of the sugar now, and represent the advances made as well in the cultivation of the plant as in the preparation of the sugar, whilst the corresponding decline of the per-centage of treacle and substance left according to columns 12 and 13 speaks for a more perfect mode of technical management. The rise of the per-centage of bits cut off is partially explained by the circumstance that it was necessary, on account of the raising of the taxation, to take care more and more to separate those parts of the beet-root hardly covering the taxation, and partially, also, by the want, or high prices of, food for

cattle. The average quantity produced by each refinery in 1840-41 amounted to 1,959 cwt.; in 1864-65, however, to 12,642 cwt., that is, 645 times as much.

With regard to the year 1864-65, the following remarks may be made as to Table A. The beet-root harvest was, as to quantity, one of the most unfavourable, falling short of an average harvest by 10 per cent. According to careful investigation the morgen supplies, on an average, only 120 cwt. of taxable weight, so that the 41,641,204 cwt. taxed according to column 3 have been grown on about 347,010 morgen, equal to 15·62 German square miles (272·10 English square miles). If we add to the taxed quantity the bits cut off from column 7, Table A, with 2,665,037 cwts., then we have, without considering what has suffered from frost and putrefaction, the above 347,010 morgen as having supplied a quantity of 44,306,241 cwts. of clean beet-root, which latter calculated at 8½ silver-groschen per cwt. represent a value of 12,553,435 thalers. Each morgen, on which beet-root was grown, yielded in 1864–65 a gross revenue of say 36 thalers, that is, if we deduct for rent or interest of the value, as well as all expenses of cultivation, on an average 28 thalers, in spite of the unfavourable harvest a net profit of 8 thalers, a result not easily obtained with other plants. But let us see further what the beet-root sugar industry made out of the raw material. There were produced 3,413,214 cwt. of raw sugar, which according to the price in September's Report for middling yellow raw sugar calculated give 34,132,140 thalers; to these are to be added the 936,927 cwts. of treacle, as per column 5, at 1⅛ thalers, giving 1,054,043 thalers: together for saleable productions 35,186,183 thalers. Besides there were won 7,870,188 cwts. of substance after the pressing, representing at ½ cwt. a quantity of hay of 3,935,094 cwts., and the latter calculated at ⅔ thaler, a value of 2,633,396 thalers; add 2,665,037 cwts. of bits cut off at 2½ silver-groschen, 222,086 thalers: total 2,845,482 thalers. The beet-root sugar industry has, therefore, raised the value of the raw material from 12,553,435 thalers to 38,031,665 thalers, that is, three times; returning at once to agriculture in the shape of substance and bits cut off 2,845,842 thalers, that is, almost one-third of the value of the raw material, besides the important different sorts of factory refuse brought back for agricultural purposes direct or indirect. Notwith-

standing, the great beneficial influence of the beet-root sugar industry on agriculture and farming, commerce, trade, and those classes of the population that live by their day's work, and generally on the welfare of the nation, has often been undervalued or denied, even in financial circles and by the friends of statistics. How many hundreds of millions of thalers would have gone out of the country but for this home branch of industry in order to buy Colonial sugar; by how many hundreds of millions of thalers would the national wealth be poorer, the taxable power of the country weaker? Not only that of the above stated money value of the production of say 38,000,000 thalers, 10,250,000 thalers, that is more than 25 per cent., have been paid direct to the public exchequer, but from the remainder also, four-fifths of which can easily be traced (including the value of 12,500,000 thalers of the raw material), consisting of wages and other payments to the working classes of the population, some more millions flow into the public exchequer in the shape of different sorts of taxes.

We turn now to the second part, the columns 17 to 27 of Table A, showing the production of sugar in the thirty calendar years 1836 to 1865. It was the custom in showing the production and consumption of sugar in the Zollverein in tables to consider the managing year to be identical with the calendar year, as it was supposed that the sugar produced from September to December passed to consumption only in the following calendar year. We must, however, take into consideration that the Colonial sugar does not pass over to consumption immediately after the duty has been paid, but, as a rule, not until several months afterwards; whilst, on the other side, the months from September to December comprehend in each managing year the larger half of the beet-root sugar production. These considerations and other practical reasons made it, therefore, appear necessary to ascertain the quantity of beet-root sugar produced in the Zollverein also for the calendar year. This can be done, as the official figures for the quantity of beet-root worked annually during the time from 1st September to the end of December are known as per column 21. It was, therefore, only necessary to deduct these from the quantities given for the managing year, in order to have as remainder the quantity taxed for the time from 1st January to 31st August of the following

year (column 20). The beet-root quantity used having thus been obtained for each calendar year, the quantities of sugar were also calculated under consideration of the per-centage for the whole managing year (columns 10 and 11), and of the experience that this per-centage of sugar is ½ to 1 per cent. better during the months from September to December than later. The quantities of beet-root and raw sugar in the columns 21 and 24, together with the figures in columns 20 and 23, one line lower, make the quantities of beet-root used and raw sugar produced of the managing year, and these figures agree with those in columns 3 and 4. Column 18 shows the population of the Zollverein according to the triennial official census. It was not, however, considered correct to base calculations on the official figures in that shape in order to ascertain the average consumption of sugar per head of the population, since it is obvious that, for example, the population did not remain stationary during the three years 1862, 1863, and 1864 at 34,670,000 heads, and jumped then all of a sudden up to 35,887,000 in 1865. Interpolation has, therefore, been employed in order to ascertain the most probable number for each year, duly considering any new territorial addition to the Zollverein that may have occurred, the results of which interpolation are shown in column 19, in order to have a more exact basis for the average calculations of the production and consumption. Column 26 shows accordingly that in the Zollverein the production of sugar has been per head of the population in 1836 0·11 lb., in 1841 1·11 lb., and in 1865 10·26 lbs.

The Table following here under (C) shows, as a continuation of Table (A), the import and production of sugar and the export and consumption of sugar in the Zollverein during the thirty calendar years 1836 to 1865, as well as the duties and taxes derived from sugar within that space of time, and thereby that the immense rise of the home production was accompanied by a considerable decline of the import of Colonial sugar. The import of refined sugar (column 3), if we ignore the first four years, has been very unimportant, like that of raw sugar and of brown sugar for consumption, nor has it fluctuated much. The import of raw sugar for inland refineries rose, as per column 6, from 983,928 centners in 1836 to 1,410,701 centners in 1847, to decline finally after long and severe struggles with the beet-root down to 78,566 centners in

1860. In consequence of the reduction of duty on the 1st September, 1861, it rose in 1862 again to 464,569 centners, but has sunk since to 243,709 centners in 1865, and will probably sink more. The import of treacle was inconsiderable up to 1853, and was subject to many fluctuations according to the price. In 1854 when the Steuerverein (Hanover and Oldenburg), the inhabitants of which are more inclined to that article, joined the Zollverein, the import became larger and more constant.

In the statistical statements as to the production and consumption of sugar in the Zollverein, given in 1861, the calculations had been based upon refined sugar, that is, upon that form in which this article is really consumed; the raw sugar was therefore reduced according to certain principles upon refined sugar. Now, the opposite is done: in the first place, because it appears to be safer; in the second place, because the consumption of other countries is likewise given in raw sugar, and any comparison between the consumption of sugar in different countries is rendered, at least, very difficult, if the ascertaining of the same is not done on as equal principles as possible. Column 9 shows therefore the total import of sugar and treacle in raw sugar. It should be noted that the transit traffic in sugar is entirely excluded from Table C, so that import refers only to those quantities on which the import duties have been paid, and export only to those on which a Government allowance was granted, or which came again from the market.

Column 11 shows the sum of the production and of the import of sugar, and that notwithstanding the considerable decline of the import, the total sum, in consequence of the great rise of the home beet-root sugar production, is an increase of nearly the quadruple, that is, a rise from 1,058,701 centners in 1836 to 3,968,298 centners in 1865. The export of refined sugar, as per column 12, with the exception of a small quantity of beet-root sugar loaves exported in the last four years, consists entirely of Colonial refined sugar. It rose from 35,679 centners in 1836 to 196,635 centners in 1849, and fell again to 4,604 centners in 1865. The export of raw sugar and brown sugar up to 1861 was *nil*. Only with the Government premium on the export of beet-root sugar could it obtain a greater extent, and amounted in 1864 to 148,266

centners, in 1865 to 125,287 centners, and will probably in future assume greater dimensions.

Column 15 shows the amount of the export of raw and refined sugar, the latter reduced to raw sugar. The export of treacle during the last thirty years amounted to—

	Zoll. Centner.		Zoll. Centner.
1836	1,023	1851	5,788
1837	836	1852	2,029
1838	767	1853	2,540
1839	2,469	1854	2,509
1840	1,429	1855	1,513
1841	733	1856	2,015
1842	2,208	1857	121,522
1843	1,709	1858	31,275
1844	3,733	1859	63,293
1845	2,050	1860	194,465
1846	1,635	1861	131,431
1847	15,946	1862	43,944
1848	1,618	1863	101,957
1849	2,655	1864	152,782
1850	2,871	1865	?

(C.)—IMPORT of Sugar, and Production, Export, and Consumption of the Zollverein, in the Thirty Calendar Years, 1836 to 1865, as well as the Receipts from Duty and Tax in the same Period.

Calendar Year.	Population according to Column 19 in Table (A).	Duties upon Importations.							Home-made Beet-root Sugar produced, according to Column 25 of Table (A).	Total of Sugar produced and Importation (Columns 9 and 10).	Export.			
		Loaf, Lump, Candy, Pieces, and other Sugar, and White Pounded Sugar.		Raw and Farine Sugar for Consumption.	Raw Sugar for Inland Refineries.	Treacle.		Total Raw Sugar (Columns 4, 5, 6, and 8).			Loaf, Lump, Candy, and Pounded White Sugar.		Raw Sugar and Farine.	Total Raw Sugar (Columns 13, 14).
		Real Weight.	Reduced to Raw Sugar, 100=125.			Actual Weight.	Reduced to ⅘ of Raw Sugar.				Real Weight.	Reduced to Raw Sugar, 100=125.		
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.	12.	13.	14.	15.
		Zoll. Ctr.	Zoll. Ctr.	Zoll. Ctr.	Zoll. Ctr.	Zoll. Ctr.	Zoll. Ctr.	Zoll. Ctr.	Zoll. Ctr.	Zoll. Ctr.	Zoll. Ctr.	Zoll. Ctr.	Zoll. Ctr.	Zoll. Ctr.
1836	25,402,000	30,387	37,984	...	983,928	23,007	8,627	1,030,539	28,162	1,058,701	35,679	44,599	8	44,607
1837	25,703,000	9,127	11,409	563	866,363	7,798	2,924	881,259	103,187	984,446	30,788	38,485	56	38,541
1838	26,049,000	40,946	51,182	328	1,049,531	2,340	878	1,101,919	160,725	1,262,644	21,936	27,420	25	27,445
1839	26,382,000	12,014	5,017	223	1,133,760	610	229	1,149,229	223,149	1,372,378	21,257	26,571	199	26,770
1840	26,746,000	7,170	8,963	143	1,017,587	11,363	4,261	1,030,954	276,036	1,306,990	42,808	53,510	310	53,820
1841	27,142,000	2,762	3,452	196	994,953	47,704	17,889	1,016,490	303,016	1,319,506	47,334	59,168	113	59,281
1842	27,870,000	4,153	5,191	323	1,133,447	22,976	8,616	1,147,577	225,137	1,372,714	39,230	49,038	26	49,064
1843	28,207,000	3,731	4,664	518	1,253,018	14,642	5,491	1,263,691	197,289	1,460,980	33,916	42,395	24	42,419
1844	28,498,000	2,769	3,461	236	1,342,595	3,139	1,177	1,347,469	296,728	1,644,197	44,712	55,890	15	55,905
1845	28,795,000	2,635	3,294	189	1,409,023	3,547	1,330	1,413,836	296,724	1,710,560	78,040	97,550	235	97,785
1846	29,113,000	2,223	2,779	161	1,358,648	904	339	1,361,927	331,011	1,692,938	160,251	200,314	56	200,370
1847	29,461,000	2,513	3,141	198	1,410,701	453	170	1,414,210	446,878	1,861,088	111,855	139,819	350	140,169
1848	29,560,000	2,090	2,612	131	1,284,560	1,318	494	1,287,797	665,853	1,953,650	143,091	178,864	99	178,963
1849	29,673,000	2,207	2,759	138	1,211,218	802	301	1,214,416	814,592	2,029,008	196,635	245,794	26	245,820
1850	29,800,000	2,144	2,680	135	1,051,365	1,466	550	1,054,730	931,267	1,985,997	154,567	193,209	2,488	195,697
1851	30,011,000	2,071	2,589	134	779,476	5,595	2,098	784,297	1,202,871	1,987,168	145,463	181,829	3,992	185,821
1852	30,242,000	1,835	2,294	132	801,723	20,489	7,683	811,832	1,586,139	2,397,971	125,002	156,252	52	156,304
1853	30,493,000	1,906	2,382	111	774,858	6,613	2,480	779,831	1,565,429	2,345,260	175,844	219,805	518	220,323
1854	32,682,000	2,416	3,020	392	746,585	63,930	23,974	773,971	1,507,647	2,281,618	176,076	220,095	108	220,203
1855	32,832,000	2,712	3,390	382	908,072	59,221	22,208	934,052	1,588,210	2,522,262	152,463	190,579	316	190,895
1856	32,993,000	2,212	2,765	1,457	697,636	31,575	11,841	713,699	1,807,974	2,521,673	163,083	203,854	569	204,423
1857	33,195,000	1,953	2,441	316	339,743	41,359	15,510	358,010	2,342,123	2,700,133	128,928	161,160	314	161,474
1858	33,461,000	2,165	2,706	277	526,631	53,882	20,206	549,820	2,596,693	3,146,513	64,040	80,050	540	80,590
1859	33,542,000	1,612	2,015	281	229,891	48,914	18,343	250,530	3,050,953	3,301,483	69,780	87,225	57	87,282
1860	33,903,000	1,522	1,902	334	78,566	71,833	26,937	107,739	2,790,302	2,898,041	61,758	77,235	22	77,257
1861	34,279,000	2,145	2,681	367	130,426	93,347	35,005	168,479	2,574,887	2,743,366	37,019	46,274	4,692	50,966
1862	34,670,000	2,516	3,145	368	464,569	102,319	38,370	506,452	2,553,826	3,060,278	32,903	41,129	33,701	74,830
1863	35,052,000	2,551	3,189	750	430,530	90,994	34,123	468,592	2,863,163	3,331,755	56,857	71,071	101,788	172,859
1864	35,458,000	2,350	2,937	423	251,243	89,775	33,666	288,269	3,193,123	3,481,392	8,408	10,510	148,266	158,776
1865	35,887,000	1,944	2,430	426	243,709	101,305	37,989	284,554	3,683,744	3,968,289	4,804	6,005	124,287	130,292

Import of Sugar, and Production, Export, and Consumption of the Zollverein, &c.—*continued.*

Calendar Year.	Remain for Consumption.		Consumption of Sugar per Head.		Customs Duty from Foreign Sugar and Treacle.	Tax upon Inland Beet-root Sugar.	Total of Receipts from Sugar.	Paid back for Exported Sugar.	After Deduction of above there remain from Tax and Duty.	
	After Deduction of Export (Column 15 from 11).	Per Head.	In Average of Five Years.	According to Progress resulting from next Column.						Per Head.
1.	16.	17.	18.	19.	20.	21.	22.	23.	24.	25.
	Zoll. Centner.	Pounds.	Pounds.	Pounds.	Rixthalers.	Rixthalers.	Rixthalers.	Rixthalers.	Rixthalers.	Silver-groschen.
1836	1,014,094	3·99		4·09	5,312,537	...	5,312,537	159.580	5,152,957	6·08
1837	945,905	3·68		4·28	4,470,153	...	4,470,153	128,934	4.341,219	5·07
1838	1,235,199	4·74	4·44	4·44	5,681,924	...	5.681,924	20,216	5,661,708	6·52
1839	1,345,608	5·10		4·58	5,906,768	...	5,906,768	39,206	5,867,562	6·67
1840	1,253,170	4·69		4·71	5,417,484	26,832	5,444,316	163,943	5,280,373	5 92
1841	1,260,225	4·64		4·84	5,381,198	70,433	5,451,631	208,336	5,243,295	5·79
1842	1,323,650	4·75		4·98	5,864,596	60,895	5,925,491	145,225	5,780,266	6·22
1843	1,418,561	5·03	5·12	5·12	6,357,402	49,915	6,407,317	101,895	6,305,422	6·71
1844	1,588,292	5·57		5·26	6,748,109	160,532	6,908,641	173,006	6,735 635	7·09
1845	1,612,775	5·60		5·40	7,080,689	219,725	7,300,414	457,684	6,842,730	7·13
1846	1,492,568	5·13		5·53	6,813,404	233,440	7,046,844	851.062	6,195,782	6·38
1847	1,720,919	5·84		5·67	7,074,477	316,243	7,390,720	750,814	6,639,906	6·76
1848	1,774.687	6·00	5·80	5·80	6,441,770	464,271	6,906,041	852,931	6,053,110	6·14
1849	1,783,188	6·01		5·99	6,074,022	556,062	6,630,084	1,135,505	5,494,579	5·56
1850	1,790,300	6·01		6·18	5,278,349	1,039,913	6,318,262	1,108,831	5,209,431	5·24
1851	1,801,347	6·00		6·37	3,935,402	1.705,141	5,640,543	779,360	4,861,183	4 86
1852	2,241,667	7·42		6·57	4,104,987	2,128,457	6,233,444	668,768	5,564,676	5·52
1853	2,124,937	6·97	6·76	6·76	3,914,512	3,206,513	7,121,025	931,601	6,186,424	6·09
1854	2,061,415	6·31		7·08	3,933,263	3,745,863	7,679,126	648,558	7,030,568	6·42
1855	2,331,367	7·10		7·40	4,743,150	3,934,924	8,678,074	656.810	8,021,264	7·33
1856	2,317,250	7·02		7·71	3,610,370	4,684,236	8,294,606	899,174	7,395,432	6·72
1857	2,538,659	7 65		8·03	1,827,051	5,869,915	7.696,966	466,195	7,230,771	6·53
1858	3,065,923	9·16	8·35	8·35	2,803,471	7,416.682	10,220,153	330,099	9,890,054	8·87
1859	3,214,201	9·58		8·50	1,314,045	9,305,895	10,619,940	402,407	10,217,533	9·14
1860	2,820,784	8·32		8·65	625,629	8,157,801	8,783,430	183,600	8,599,830	7·61
1861	2,692,400	7·85		8·81	862,001	7,869,970	8,731,971	149,794	8,582,177	7·51
1862	2,985,448	8·61		8·96	2,250,419	8,044,899	10,295,318	208,771	10,086,547	8·73
1863	3,158,896	9·01	9·11	9·11	2,080,107	9,475,949	11,556,056	302,930	11,253,126	9·63
1864	3,322,616	9·37		9·42	1,311,435	10,053,023	11,364,458	384,291	10,980,167	9·29
1865	3,838,006	10·69		9·80	1,305,837	11,027,937	12,333,774	377,051	11,956,723	10·00

Survey of the Receipts of the Zollverein from Importation of Sugar, and from Duty on Beet-root Sugar, home made, during the Period from 1845 to 1864.

Year.	The Receipts from Import Duty amounted to—				Amount of Import Duty.	Receipts from Tax Beet-root Sugar.	Total Amount from Duty and Tax.	Bonifications paid upon Exported Sugar.	After the preceding has been Deducted there remain	Population according to Census every three years.	Produce per Head of Population.
	a. From Loaf, Lump, and Candy Sugar.	*b.* From Farina, Raw Sugar, Pounded Sugar.	*c.* Raw Sugar, for Native Refineries.	*d.* Treacle.							
	Thalers.	Thalers.	Thalers.	Thalers.	Thalers.	Thalers.	Thalers.	Thalers.	Thalers.		Sgr.
1845 ..	19,640	1,512	7,045,349	14,188	7,080,689	194,520	7,275,209	457,684	6,817,525	28,499,566	7·18
1846 ..	15,260	1,288	6,733,240	3,616	6,813,404	222,755	7,036,159	851,062	6,185.097	28,508,594	6·51
1847 ..	17,580	1,584	7,053,505	1,808	7,074,477	281,699	7,356,176	750,814	6,605,362	29,461,381	6·73
1848 ..	12,650	1,048	6,422,800	5,272	6,441,770	382,658	6,824,428	852,931	5,971,497	29,460,764	6·08
1849 ..	13,620	1,104	6,056,090	3,208	6,074,022	494,844	6,568,866	1,135,505	5,433,361	29,460,628	5·53
1850 ..	14,580	1,080	5,256,825	5,864	5,278,349	576,283	5,854,632	1,108,831	4,745,801	29,800,063	4·78
1851 ..	14,570	1,072	3,897,380	22,380	3,935,402	1,476,744	5,412,146	779,360	4,632,786	29,800,063	4·66
1852 ..	13,360	1,056	4,008,615	81,956	4,104,987	1,838,198	5,943,185	668,768	5,274,417	29,800,063	5·31
1853 ..	12,890	880	3,874,290	26,452	3,914,512	4,543,520	8,458,032	934,601	7,523,431	30,492,792	7·40
1854 ..	18,370	3,136	3,732,925	178,832	3,933,263	3,745,864	7,679,127	648,558	7,030,569	32,559,173	6·48
1855 ..	20,840	3,040	4,540,360	178,910	4,743,150	3,934,931	8,678,081	656,810	8,021,271	32.559,161	7·40
1856 ..	16,240	11,656	3,488,180	94,294	3,610,370	4,684,235	8,294,605	899,174	7,395,431	32,721,344	6·80
1857 ..	13,560	2,528	1,698,715	112,248	1,827,051	5,869,916	7,696,967	466,195	7,230,772	32,722,306	6·63
1858 ..	15,600	2,208	2,633,155	152,508	2,803,471	7,416,687	10,220,158	330,099	9,890,059	33,460,647	8·87
1859 ..	15,600	2,248	1,149,455	146,742	1,314,045	9,305,897	10,619,942	402,407	10,217,535	33,542,352	9·14
1860 ..	14,620	2,672	392,830	215,507	625,629	8,166,549	8,792,178	183,600	8,608,578	33,541,145	7·70
1861 ..	17,430	2,426	588,689	253,456	862,001	7,849,517	8,711,518	149,794	8,561,724	33,541,365	7·66
1862 ..	17,995	2,208	1,974,418	255,798	2,250,419	8,299,400	10,549,819	(8,251) 208,771	10,341,048	34,670,277	8·95
1863 ..	18,369	4,500	1,829,753	227,485	2,080,107	9,476,590	11,556,697	(103,803) 302,930	11,253,767	34,670,214	9·74
1864 ..	16,676	2,538	1,067,783	224,438	1,311,435	10,050,681	11,362,116	(255,124) 384,291	10,977,825	34,670,533	9·50
								(365,447)			

ABSTRACT of the raw Beet-roots used in the Zollverein in the Manufacture of Beet-root Sugar, in the Year between September 1, 1864, and August 31, 1865.

States of the Verein.	No. of Factories at Work.	Beet-roots Taxed.				
		From September 1, to end of December, 1864.	In first Quarter of 1865.	In Second Quarter of 1865.	In July and August, 1865.	Total.
		Ctr. lbs.	Ctr. lbs.	Ctr. lbs.	Centners.	Ctr. lbs.
1. Prussia	234	20,299,594 50	15,265,325 0	258,886 0	...	35,823,805 50
Luxemburg ...	...	...	...	...	...	...
2. Bavaria	6	223,031 0	140,040 0	...	...	363,071 0
3. Saxony	1	39,920 0	44,480 0	...	...	84,400 0
4. Hanover	1	82,770 0	43,250 0	...	...	126,020 0
5. Wurtemberg ...	6	632,023 0	407,076 67	65,308 63	...	1,104,408 30
6. Baden	1	388,741 0	305,585 0	265,049 0	125,996	1,085,371 0
7. Electoral Hesse .	1	12,430 0	16,946 0	...	...	29,376 0
8. Gd. Ducal Hesse	...	...	...	...	...	...
9. Thuringia ...	2	118,791 70	92,263 18	...	...	211,054 88
10. Brunswick ...	18	1,427,848 0	1,362,776 0	23,073 80	...	2,813,697 80
11. Oldenburg ...	...	...	...	...	...	...
12. Nassau	...	...	...	...	...	...
13. Frankfort A/M .	...	...	...	...	...	...
Total	270	23,225,149 20	17,677,741 85	612,317 43	125,996	41,641,204 48
In the year 1863 to 1864 there were ...	253	22,924,576 64	16,178,353 50	626,615 0	181,975	39,911,520 14
In the year 1864 to 1865 there were—						
More	17	300,572 56	1,499,388 35	...	...	1,729,684 34
Less	...	...	...	14,297 57	55,979	...

(No. 17.)—*Production of Coal in Prussia.*

Prussia is rich in mineral fuel, especially in very good coals, for it produces also brown coal ("Bovey"), which, though inferior in its power of heating, is, nevertheless, useful for many purposes. Coals are with unimportant exceptions found in extensive layers in basins containing many strata of fossil coal. The coal pits of the greatest importance are in the Rhenish Provinces and Westphalia, in the western parts of Prussia, as well as in the Province of Silesia. Brown coal appears in layers near the surface in numerous great and small troughs diffused over, not only the above-named provinces, but also others, particularly Saxony and Brandenburg.

A map published in 1863 on the production, consumption, and circulation of mineral fuel in Prussia during 1862 showed the distribution of the production, the quantity of coal produced from the single basins and districts of the mines.

Among the coal basins there are three of considerable importance, which being of considerable extent, are a source

of great wealth in coal, namely, the basins of Upper Silesia, of the Ruhr and the Saar. Two other basins, near Waldenburg, in Lower Silesia, and near Aix-la-Chapelle, in the Rhenish Province, are less considerable, but though yielding less are still of importance. The basins of Wellin and Löbejün in the Province of Saxony and of Ibbenbüren in the northern part of the Province of Westphalia are of less extent. Besides these belonging to the fossil formation narrow layers of coal, in some places in strata of a later date of mountains, form an object of inconsiderable importance in mining near Minden on the Weser, in Wealdenthon, and near Löwenberg, in Lower Silesia. The layers of brown coal, which are of most importance, are in the eastern part of the country, namely, in the Provinces of Saxony and Brandenburg, where coals are expensive owing to the distance they have to be transported.

The coal pits of the River Ruhr extend over ten miles* in length on the Lower Rhine, and in Westphalia a very active working of the mines, and a marked activity of commerce, are on the point of being developed. This country supplies almost half of the coal produce (favoured by its situation on the navigable Rivers Ruhr and Rhine, and aided by the railway which is daily extending itself), and it sends supplies to Alsatia and Switzerland, to Bavaria and Thuringia, to Berlin, and the seaports of the Hanseatic towns, as well as to Holland. It has been found that there were 65 strata more than 20 inches deep which were worth cultivating, the united thickness of which gives of pure coal 210 feet, and it has been calculated that the present annual produce from it may be 8,000,000 metrical tonnen (at 20 Zollverein centners), which will last during a period of more than 5,000 years.

The Upper Silesian coal pit, which yields not quite one-fourth of the Prussian coal produce, is limited in its supply, in consequence of its situation between Austria and the Kingdom of Poland, and more particularly on account of the supplies it has to give to the zinc and iron foundries in the neighbourhood. The purity and solidity of the coal with the extremely low prices for transport allow, nevertheless, the transmission of Upper Silesian coal to distances, particularly to Berlin and Magdeburg, where it competes with the Westphalian (Ruhr), the Saxon (Zwickau), and

* A Prussian mile is equal to 24,000 Prussian feet; nearly 4⅔ English miles.

the English coal. The expansion to which the strata of the mines in those parts is liable is unknown, as the coal mountains, extending over five miles of length and three of breadth, are covered towards the north and south with later strata, and because in the parts opened there are many large coal fields that can be worked near the surface, and consequently there has been little wish till now to look for coal under the later formations. The depth of coal which might be got at, without taking into account the strata less than 30 inches thick, amounts to 350 feet, and extends on several layers to the thickness of 30 feet. The coals at hand in accessible depths cannot well be computed on account of the uncertainty of the limits of the coal pit, but may with the present demand be called inexhaustible.

The coal pit of the River Saar, situated in the extreme south-western angle of the Rhenish Province, and which extends its productive strata in a small degree to Bavarian and French territory, offers about the sixth part of the coal produce of Prussia.

The active working of the pits exclusively at the expense of the Government has opened 150 to 200 layers of 330 to 380 feet of pure coal, of which a depth of 250 to 290 feet is taken.

The supply extends into the Zollverein competing with the Ruhr pit, to the Middle and Upper Rhenish country, to the Moselle, Lahn Main, and Neckar, as far as Nurnberg and Munich, and Switzerland, to eastern parts of France, Alsatia, the Upper Marn country, and to Paris.

The quantity of coal to be obtained by the working of mines in attainable depths (reckoning 500 centners = 3,333 feet) would suffice, according to calculations which have been made, for the supply of 3,000 years, and the annual supply would be of about 2,500,000 of metrical tons.

The coal pit near Waldenburg, in Lower Silesia, gives about one-sixteenth of the whole production of Prussia, and is tolerably extended ; but it is only near Waldenburg that the greater number of strata are worked. The situation in a mountainous country, near the Bohemian frontier, is but little favourable to the development of mining. The sale is directed principally to the neighbouring Prussian provinces, and in a small degree to Bohemia and the Kingdom of Saxony.

The pits of Aix-la-Chapelle, divided in two separate

troughs on the small Rivers Inde and Worm, are of less extent and contain less coal strata than the above-named pits. They give nearly the twentieth part of the Prussian coal produce. The supply of these pits is very limited, on the one hand, by the Ruhr, on the other, by Belgium, and are partly used for supplying the local industry as developed in forge works and other factories and partly in supplying larger demands for household purposes.

According to a Report made upon the subject of coal, the total annual amount of coal and brown coal produced in Prussia was on an average as follows:—

	Metrical tonnen.*
In four years, 1838–41	2,901,713
In five years, 1842–46	3,817,190
„ 1847–51	5,027,690
„ 1852-56	8,571,070
„ 1857–61	13,037,015
In 1862	16,903,520
In 1863	18,330,779
In 1864	21,197,266

According to the above, the working of the coal pits is in a rapid and apparently continuous increase. The year 1864 shows a weight 2½ per cent. greater than the middle of 1852-56, and four times that of the middle of 1847-51, and seven times the medium of 1838-41. A period of nearly eight years has, according to this, sufficed in the last ten years to double, and of nearly fifteen years to quadruple the produce.

The following comparison of the three years 1860, 1862, and 1864, shows the development in the single coal pits of the working of coal mines, as well as in the single Government: the result is given as to brown coal, as well as other coal ("steinkohlen"):—

One metrical ton equal to 20 Zollverein centners.

Produce of Mineral Fuel in Prussia.

Coal Pits, Government District.	Amount of Quantity produced (including the consumption at the Pits). Metrical ton of 20 Zoll. centners.			Value at place of origin in Prussian thalers, of 3s.		
	1864.	1862.	1860.	1864.	1862.	1860.
(A.) Coal.						
1. Upper Silesia, Appeln ...	3,859,486	3,072,698	2,365,600	4,603,381	3,444,197	3,069,416
2. Waldenburg, Breslau, Liegnitz	1,063,931	892,282	741,900	1,970,294	1,679,909	1,533,350
3. Wellin & Lobgön, Merseburg	65,889	55,671	54,050	191,964	164,674	152,134
4. Minden Minden ...	10,473	9,712	10,000	30,821	28,739	29,273
5. Ibbenbühren, Münster...	98,255	103,845	79,800	242,170	275,350	240,241
6. Ruhr, Arensberg, Dusseldorf...	8,037,705	6,128,791	4,276,200	12,088,348	9,706,095	9,082,160
7. Aix-la-Chapelle	751,257	687,651	632,000	1,849,931	1,767,942	1,734,698
8. Saar, Treves	2,660,749	2,137,741	2,019,500	6,563,424	5,498,147	5,457,060
Total of (A) Coal ...	16,547,745	13,088,391	10,179,050	27,540,333	22,565,053	21,298,332
(B.) Brown Coal.						
1. Appeln	1,307	2,562	2,670	810	1,833	1,265
2. Breslau	22,198	23,424	13,730	18,703	19,109	12,863
3. Liegnitz	189,180	132,961	103,930	175,629	112,792	89,931
4. Posen	4,968	5,300	2,840	4,338	3,835	2,241
5. Bromberg and Marienwerder	5,520	6,959	3,600	4,294	5,416	3,076
6. Frankfort	515,697	403,589	267,870	442,878	328,380	246,060
7. Potsdam	183,058	170,362	129,250	211,102	184,811	109,278
8. Stettin	8,210	8,220	...	8,526	1,123	...
9. Magdeburg	1,368,922	1,198,544	1,059,200	1,466,213	1,162,898	1,152,232
10. Merseburg	2,182,231	1,665,492	1,423,130	1,803,806	1,378,016	1,234,366
11. Minden	1,349	1,117	870	514	643	736
12. Cologne, Dusseldorf, Aix-la-Chapelle, and Coblenz	166,887	64,219	187,255	114,973	133,544	119,810
Total (B) Brown Coal ...	4,649,527	3,815,129	3,194,640	4,251,786	3,332,400	2,971,858
Total sum	21,197,272	16,903 520	13,373,690	31,792,119	25,897,453	24,270,190

The western parts of Prussia are so richly furnished with mineral fuels, particularly with coals, that they do not depend for their supply on foreign countries, but rather give up a great part of their coal produce to the latter; the eastern provinces of the State have to look to no small extent to the import of foreign coal, partly from Westphalia, partly from foreign countries. This is particularly the case with countries on the Baltic, which receive by sea coal cheaper from British harbours than from the distant inland mining districts. The provinces of Saxony and Brandenburg, particularly when near the watercourses of the Elbe, Havel, and Oder, receive important quantities of British coal and Bohemian brown coal, as well as great imports of coals by railway from the pits of Zwickau and Chemnitz in the neighbouring Kingdom of Saxony; these pits are improving daily in extent and value.

As, in general, accounts are only kept of the export and import of wares on the frontiers of Prussia at the places at which the frontier is also the frontier of the Zollverein,

there is a lack of exact information upon which correct statistical lists may be formed of the consumption of fuel in Prussia, as well as of the produce, export and import. In order to obtain accurate results, one would have to take into consideration the whole extent of the Zollverein, and this, in fact, took place in 1860, when the Central Bureau of the Verein at Berlin published abstracts of the produce of the mines, smelting-houses, and salines. There is, however, an incompleteness in the account, inasmuch as mention is only made in the export and import lists of the Verein of coal, and not of brown coal.

The results of the produce of the years 1863 and 1864, as regards Prussia, are put at 17,000,000 to 19,500,000 metrical tons in the following Table, in which is also given the consumption of coal from 1860 to 1864 in the territory of the Zollverein, in metrical tons (= 20 Zoll. centner) :—

	1860.	1861.	1862.	1863.	1864.
	Met. tons.	Met. tons.	Met. tons.	Met. tons.	Met. tons.
Produce	12,347,828	14,133,048	15,576,278	17,000,000	19,500,000
Import	755,082	871,299	894,893	925,900	733,228
Total	13,102,910	15,004,347	16,471,171	17,925,900	20,233,228
Of which exported	1,810,472	2,074,906	2,107,384	2,078,890	2,233,228
Remaining for consumption...	11,292,438	12,929,441	14,363,787	15,847,010	18,000,000
Of the imports there were probably of British origin	732,113	843,360	864,390	903,557	643,088

According to these figures the consumption of coal in the Zollverein was in course of exceeding the produce. It was estimated that, for 1865, the consumption would be above 20,000,000.

The import was, with the exception of unimportant quantities from Austria and Belgium, of British origin. The following Tables, taken from printed commercial information, give nearer explanations of the distribution of the import and export to the frontier tracts and States through and to which consignments were sent.

The development of the consumption for a longer period of years in Prussia itself is given in a statistical work published on the mining industry, where the produce is shown of coal and brown coal during the years 1838 to 1861 in Prussia, as well as the import and export of coal to and from States not belonging to the Zollverein across the Prussian frontier. According to this account, in the middle of the fourth and fifth years the amount for the Prussian kingdom was :—

	1838–41.	1842–46.	1847–51.	1851–56.	1857–61.
	Met. tons.	Met. tons.	Met. tons.	Met. tons.	Met. tons.
Total production of coal and brown coal	2,901,713	3,817,190	5,027,690	8,571,070	13,037,015
Import of coal	150,963	242,534	389,031	490,115	658,388
Total	3,052,676	4,059,724	5,416,721	9,061,185	13,695,403
Export of coal	377,049	385,019	467,285	945,744	1,649,386
Remaining for consumption ...	2,675,627	3,674,705	4,949,436	8,115,441	12,046,017

And further for the following years :—

	1862.	1863.	1864.
	Metrical tons.	Metrical tons.	Metrical tons.
Total produce of coal and brown coal ..	16,903,520	18,330,779	21,197,266
Import of coal	684,832	709,983	Not given.
Total	17,588,352	19,040,762	..
Export of coal	1,866,205	1,880,927	Not given.
Remaining for consumption	15,722,147	17,159,835	..

These figures appear for the single years somewhat higher than the figures quoted above, which are reckoned for the whole territory of the Zollverein ; as in the first brown coal is included, and the Prussian State participated particularly in the import and export of coal. As the trade with the other States of the Zollverein was not taken into consideration, these figures cannot be considered as precise, and are only so far of importance as showing the development of the traffic in comparison to the internal production.

More careful inquiries have been instituted as to the transports of coals which pass in and out over the Prussian frontier, and also over the frontier of other States of the Zollverein. These inquiries were made for the purpose of ascertaining the state of the trade in mineral fuel for the years 1860 and 1862, and they form the foundation of the statistical statements which are contained in the explanations of the above-named map. According to this calculation the consumption in mineral fuel in Prussia was as follows :—

	1862.	1860.
	Metrical tons.	Metrical tons.
Produce	16,903,520	13,373,690
Import	942,680	837,400
Total	17,846,200	14,211,090
Export	3,128,252	2,603,790
Remaining for consumption	14,717,948	11,607,300

During the two years from 1860 to 1862 the consumption in the kingdom increased 3,110,648 metrical tons of coal and brown coal, or 26·8 per cent., whilst at the same time the produce rose 26·4 per cent., the import 12·6 per cent., the export 20·2 per cent.

During the two years from 1862 to 1864, according to the above calculation, the produce of coal and brown coal in Prussia increased from 16,900,000 to 21,200,000 metrical tons; that is, more than 4,300,000 metrical tons, or 25·4 per cent. Supposing that the import and export increased, then the consumption of mineral fuel in Prussia for the year 1864 would at least amount to 25 per cent. higher than for 1862, and accordingly, when taken at a low average of $1\frac{1}{4}$, 14,717,948, or roundly, 18,500,000 metrical tons, and with the same annual gradation for the year 1865 to 21,000,000 metrical tons.

It has been shown above that the British coal is of the greatest importance as regards the import. As regards Prussia in particular, the calculation with regard to the import of coal and brown coal is as follows :—

	1862.		1860.	
	Met. tons.	Per cent.	Met. tons.	Per cent.
Great Britain	705,590	75	619,400	74
Austria	145,517	15	145,510	17
Kingdom of Saxony	83,107	9	50,000	6
Belgium, Holland, Hanover, & Lippe	8,466	1	22,490	3
Total	942,680	100	837,400	100

In 1864 the Danish blockade interrupted for a time the importation of British coal, but this can only be taken as a passing accident, as they have since attained their former position in the markets, where they had at that time to be replaced by the inland produce. But where this is not the case, the general increase of the demand for coals, for the

various purposes of active trades of town and country, offers a rich compensation for the damage suffered in the supply.

The coal traffic on railways which are near coal pits shows a remarkable increase since lower freights have been fixed for transports to greater distances. The whole quantity of coals and coke expedited was as follows:—

	1864.	1862.	Increase.	
	Met. tons.	Met. tons.	Met. tons.	Per cent.
By Cologne-Minden Railway ..	3,314,744	2,787,641	527,103	18·9
By Bergisch-Märkisch	2,143,452	1,641,482	501,970	30·6
On the two railways of the Ruhr-Becken	5,458,196	4,429,123	1,029,073	23·2
By Upper Silesian Railway	1,176,911	1,044,160	132,751	12·7
By Breslau-Waldenburg-Liegnitz ..	575,736	511,929	63,707	12·5
Saarbruck-Treves	1,929,404	1,584,737	344,667	21·7
Berlin-Breslau line	537,720	392,789	144,931	36·7

The year 1865 promised an equally great increase, as during the summer months, which formerly used to show a diminution in the coal trade, the means of transport were strained to the utmost in order to forward coals which were ordered at the pits. A continued increase in the demand for coal may be reckoned upon with certainty for some years, and the numerous railways in course of construction will open great and important districts for supply, which until now were only furnished with vegetable fuel, and that at high prices.

It is difficult, under present circumstances, to state whether the increasing demand for coal depends upon the demand for households or the demands from various trades. At any rate both means of consumption are of importance, because in the one as well as in the other a continuous and increasing demand is liable to extension. The households which, particularly in the eastern part of Prussia and in the districts of most of the other German States, are arranged for the employment of wood and turf in the kitchen, and for the heating of rooms, will only by degrees change their arrangements so as to use coal or brown coal.

The beet-root sugar factories, distilleries, and breweries, mills, brick-kilns, lime-kilns, &c., require from year to year increased supplies of coals. In the towns, too, besides the manufacturing industry and the metallurgic trades and factories for making machinery, which require a large amount of coal, large supplies are required for the preparation of gas, and in a less degree for the use of water-

works in towns. Gas establishments by degrees will increase in small places accordingly as the importation of coal is facilitated, and the supply of water to towns and the draining of them is now beginning to be considered as indispensable. The great consumers of coals are on the railways and the steamers on navigable rivers and harbours. The Baltic ports will always offer secure markets for British coal on account of the great distance of the inland coal pits.

Tables showing the import and export of coal in the States of the Zollverein in 1862 and 1863 are herewith inclosed.

Import and Export of Coal in States of the Zollverein in 1862.

Import and Export over the Frontier, towards	In whole Zollverein.			Prussia.		Besides Luxemburg.		Bavaria.	
	Total Import.	For free Traffic.	Amount of Duty levied.	Total Import.	For free Traffic.	Total Import.	For free Traffic.	Total Import.	For free Traffic.
A. Import.	Centners.	Centners.	Thalers.	Centners.	Centners.	Centners.	Centners.	Centners.	Centners.
Russia and Poland ..	262	262	..	262	262	..	..	..	..
Austria	45	..	..	..	..	..	..	45	..
Ditto for inter-traffic ..	1,015,417	1,015,417	..	46,547	46,547	..	..	833,061	833,061
France	1,137,161	1,784	..	955	955	1,136,184	807	22	22
Belgium	393,648	181,281	..	92,090	92,090	301,558	89,190	..	..
*Netherlands . ..	71,452	71,452	..	71,452	71,452	..	..	..	..
*Bremen	105	111	..	..	8	..	..	..	..
*Hamburgh	3,611,332	147	..	3,611,191	6	..	..	20	20
*Mecklenburg ..	1,287	1,287	..	1,270	1,270	..	..	..	..
*North Sea	8	8	..	..	..	..	..	..	..
*Baltic	10,506,667	1,017	..	10,506,667	1,017	..	..	..	..
*Geestemünde ..	14	..	..	..	..	..	..	..	..
Total	16,737,398	1,272,766	10,723	14,330,434	213,608	1,437,742	89,997	833,148	833,103
Further, at 1 to ⅓ sgr. ..	..	13,528,172	150,313	..	13,483,037	..	..	..	..
*Free	3,096,923	3,096,923	..	..	..	..	..	..	..
Total	19,834,321	17,897,861	161,036	..	13,696,645	..	..	..	..
B. Export.									
Russia and Poland ..	1,597,763	1,014,891	..	1,597,763	1,014,891	..	..	..	..
Austria	4,480,616	4,480,299	..	3,623,087	3,623,087	..	..	298,664	298,347
Switzerland	3,300	3,300	..	..	..	..	..	2,150	2,150
France	23.314,536	23,102,168	..	20,165,350	20,165,350	366,436	154,068	2,782,750	2,782,750
Belgium	1,252,433	117,056	..	18,756	18,756	1,233,677	98,300	..	..
Netherlands	12,478,408	12,478,408	..	12,478,351	12,478,351	..	..	..	..
Bremen	804,896	804,860	..	..	..	..	..	..	..
Hamburgh	121,676	121,676	..	..	..	..	..	..	..
Mecklenburg . ..	35,720	17,004	..	35,720	17,004	..	..	..	..
Holstein and Lauenburg	19	19	..	..	..	..	..	..	..
North Sea	1,320	1,320	..	..	..	..	..	..	..
Baltic	7,646	6,678	..	7,646	6,678	..	..	..	..
Total	44,098,333	42,147,679	..	37,926,673	37,324,117	1,600,113	252,368	3,083,564	3,083,247

Import and Export over the Frontier, towards	Total Import.	For free Traffic.	Total Import.	For free Traffic.	Total Import.	For free Traffic.	Total Import.	For free Traffic.	Total Import.	For free Traffic.
A. Import.	Centners.	Centners.	Centners.	Centners.	Centners.	Centners.	Centners.	Centners.	Centners.	Centners.
Russia and Poland	..	..	..	..	..	..	..	..	..	..
Austria	..	..	..	..	..	..	..	..	..	..
Ditto for inter-traffic	135,809	135,809	..	..	..	..	..	..	..	..
France	..	..	..	..	..	..	..	..	..	..
Belgium	..	..	..	..	..	..	..	..	..	..
*Netherlands	..	..	..	..	..	..	..	..	..	..
*Bremen	..	..	83	81	..	..	..	..	22	22
*Hamburgh	115	115	6	6	..	..	..	..	..	..
*Mecklenburg	..	..	17	17	..	..	..	..	..	..
*North Sea	..	..	2	2	..	..	..	..	6	6
*Baltic	..	..	..	..	..	..	..	..	..	..
*Geestemünde	..	..	14	..	..	..	..	..	..	..
Total	135,924	135,924	122	106	..	..	..	..	28	28
Further, at 1 to ⅓ sgr. . ..	..	45,135	..	..	..	..	..	..	..	..
*Free	..	..	2,229,553	2,229,553	92	92	308,621	308,621	558,657	558,657
Total	..	181,059	2,229,675	2,229,659	92	92	308,621	308,621	558,685	558,685
B. Export.										
Russia and Poland	..	..	..	..	..	..	..	..	..	..
Austria	558,731	558,731	..	..	134	134	..	..	..	..
Switzerland	..	..	..	..	408	408	742	742	..	..
France	..	..	..	..	..	..	..	..	..	..
Belgium	..	..	..	..	..	..	..	..	..	..
Netherlands	..	..	57	57	..	..	..	..	..	..
Bremen	..	..	804,885	804,849	..	..	..	..	11	11
Hamburgh	..	..	121,676	121,676	..	..	..	..	..	..
Mecklenburg	..	..	..	..	..	..	..	..	..	..
Holstein and Lauenburg ..	..	..	19	19	..	..	..	..	..	..
North Sea	..	..	1,320	1,320	..	..	..	..	..	..
Baltic	..	..	..	..	..	..	..	..	..	..
Total	558,731	558,731	927,957	927,921	542	542	742	742	11	11

* These supplies were probably of British origin.

Import and Export of Coal in the States of the Zollverein, in 1863.

Import and Export over the Frontier to	In the whole Zollverein.			Prussia.		Besides Luxemburg.		Bavaria.	
	Total Import.	For free Traffic.	Amount of Duty levied.	Total Import.	For free Traffic.	Total Import.	For free Traffic.	Total Import.	For free Traffic.
A. Import.	Centners.	Centners.	Thalers.	Centners.	Centners.	Centners.	Centners.	Centners.	Centners.
Russia and Poland ..	235	235	..	235	235	..	..	..	..
Austria	70	..	..	..	..	..	..	70	..
Ditto for inter-traffic ..	877,865	877,865	..	52,995	52,995	..	..	745,074	745,074
Switzerland	1	1	..	..	..	..	..	..	..
France	1,813	1,813	..	117	117	1,689	1,689	7	7
Belgium	1,190,178	182,528	..	76,785	76,785	1,113,393	105,743	..	..
*Netherlands.. ..	48,246	48,246	..	48,246	48,246	..	..	..	..
*Bremen	209	206	..	196	196	..	..	..	..
*Hamburgh	3,447,138	9,795	..	3,447,084	9,741	..	..	..	..
*Mecklenburg ..	4,647	4,646	..	4,647	4,646	..	..	..	..
*Holstein and Lauenburg	3	3	..	..	..	..	..	..	..
*Baltic	11,501,072	20,594	..	11,501,072	20,594	..	..	..	..
Total ..	17,071,477	1,145,932	11,169	15,131,377	213,555	1,115,082	107,432	745,151	745,081
Besides at ½ sgr. ..	208	14,314,829	159,053	..	14,286,109	..	..	208	208
*Free	3,069,829	3,057,231	..	..	..	..	..	..	..
Total ..	20,141,514	18,517,992	170,222	..	14,499,664	..	..	745,359	745,289
B. Export.									
Russia and Poland ..	1,523,386	1,101,305	..	1,523,386	1,101,305	..	..	..	..
Austria	5,160,466	5,148,271	..	4,237,164	4,237,164	..	..	250,390	238,195
Switzerland	195,399	195,399	..	..	..	..	..	280	280
France	22,735,142	21,727,492	..	19,396,576	19,396,576	1,204,985	197,335	2,133,581	2,133,581
Belgium	182,382	182,382	..	3,390	3,390	178,992	178,992	..	..
Netherlands	12,848,985	12,848,984	..	12,848,890	12,848,890	..	..	..	..
Bremen	110,597	110,597	..	..	..	..	..	..	..
Hamburgh	221,582	221,582	..	446	446	..	..	..	..
Mecklenburg.. ..	107,696	29,106	..	107,696	29,106	..	..	..	..
North Sea	11,000	11,000	..	..	..	..	..	..	..
Baltic	18,493	1,674	..	18,493	1,674	..	..	..	..
Total ..	43,115,128	41,577,792	..	38,136,041	37,618,551	1,383,977	376,327	2,384,251	2,372,056

Import and Export over the Frontier to	Saxony.		Hanover.		Würtemberg.		Baden.		Oldenburg.	
	Total Import.	For free Traffic.	Total Import.	For free Traffic.	Total Import.	For free Traffic.	Total Import.	For free Traffic.	Total Import.	For free Traffic.
	Centners.	Centners.	Centners.	Centners.	Centners.	Centners.	Centners.	Centners.	Centners.	Centners.
A. Import.										
Russia and Poland	..	..	..	..	..	..	..	..	..	..
Austria	..	..	..	..	..	..	..	..	..	..
Ditto for inter-traffic	79,796	79,796	..	..	..	..	..	..	..	..
Switzerland	..	..	..	..	1	1	..	..	..	..
France	..	..	..	..	..	..	..	..	..	..
Belgium	..	..	..	..	..	..	..	..	..	..
*Netherlands	..	..	..	..	..	..	..	..	..	..
*Bremen	..	..	11	8	..	..	..	..	2	2
*Hamburgh	..	..	54	54	..	..	..	..	..	..
*Mecklenburg	..	..	..	..	..	..	..	..	..	..
*Holstein and Lauenburg	..	..	3	3	..	..	..	..	..	..
*Baltic	..	..	..	..	..	..	..	..	..	..
Total	79,796	79,796	68	65	1	1	..	..	2	2
Besides at ⅓ silvergroschen	..	28,512	..	..	..	..	..	..	..	..
*Free	..	..	2,339,254	2,339,251	..	..	142,194	129,599	588,381	588,381
Total	..	108,308	2,339,322	2,339,316	..	..	142,194	129,599	588,383	588,383
B. Export.										
Russia and Poland	..	..	..	..	..	..	..	..	..	..
Austria	671,943	671,943	..	..	969	969	..	..	..	..
Switzerland	..	..	..	..	3,700	3,700	191,419	191,419	..	..
France	..	..	..	..	..	..	..	..	..	..
Belgium	..	..	..	..	..	..	..	..	..	..
Netherlands	..	..	95	94	..	..	..	..	..	..
Bremen	..	..	110,476	110,476	..	..	..	..	121	121
Hamburgh	..	..	221,136	221,136	..	..	..	..	..	..
Mecklenburg	..	..	..	..	..	..	..	..	..	..
North Sea	..	..	11,000	11,000	..	..	..	..	..	..
Baltic	..	..	..	..	..	..	..	..	..	..
Total	671,943	671,943	342,707	342,706	4,669	4,669	191,419	191,419	121	121

* These supplies were probably of British origin.

Switzerland.

Report by Mr. Rumbold on the Federal Finances and Expenditure.

Berne, May 1, 1866.

I PROPOSE in this Report to give some account of the Federal and Cantonal Finances. In approaching this subject I am met by the great difficulty of not repeating that which has been before admirably, and well-nigh exhaustively, stated by my predecessor at this Legation. The same difficulty would, however, attend any attempt at a Report on this country, and I must therefore resign myself to writing much that has already been written by Mr. Burnley on Swiss Finance, trusting to some special information, so recent as to have been inaccessible to him, to redeem my remarks from the charge of unblushing plagiarism.

The Federal finances under the arrangement come to in 1848 are no longer dependent on the Cantonal contributions as formerly under the old Bund. The Federal Constitution states the sources whence the Federal revenue is to be derived. These are the post and powder monopolies, the frontier customs, the interest of the "Eidgenössische Kriegsfond," or Federal War Fund; and, lastly, but only in extreme cases, and after a vote of the Federal Assembly, the Cantonal "Geld-Contingente," or Contributions above-mentioned. The "Eidgenössische Kriegsfond," which owes its origin to the indemnity paid by France to Switzerland according to the Treaty of Vienna, had been reduced at the close of the Sonderbund war from 4,318,436 old Swiss francs to 2,787,180 old Swiss francs, or 4,180,770 francs of the new coinage.

From the first foundation of the new order of things it was apparent that the post monopoly and frontier customs would be the chief sources of revenue to be reckoned upon by the Federal Administration. These expectations have

proved true as regards the Customs, but not so in respect to the

Post Monopoly.

The chief cause of the unproductiveness of this source of revenue is to be sought in the conditions under which it was handed over to the Central Power. At the surrender of the individual postal rights of the Cantons it was, namely, stipulated that a sum equal to the average amount of the postal receipts of the Cantons in the years 1844, 1845, and 1846 should be paid to them annually out of the proceeds of the Federal Post Office. The sum total of the indemnity thus payable amounts to 1,486,560 francs 92 centimes, which is divided into separate payments to each Canton, as shown by the following Table:—

	Fr.	c.		Fr.	c.
Zürich	232,138	46	Appenzell, Ausser Rhoden.	14,285	71
Berne	249,252	48	Appenzell, Inner Rhoden .	342	86
Lucerne	57,958	18	St. Gall	89,084	76
Uri	29,771	10	Grisons	33,549	19
Schwyz	2,857	14	Argovie	146,694	43
Obwalden	342	86	Thurgovie	25,454	55
Nidwalden	228	57	Tessin	14,908	96
Glarus	10,329	83	Vaud	207,812	91
Zug	3,285	71	Valais	26,488	17
Fribourg	20,320	52	Neuchâtel	74,676	33
Soleure	10,490	93	Geneva	97,281	71
Bâle Ville	119,065	25			
Bâle Campagne	16,758	61	Total	1,486,560	92
Schaffhausen	3,181	82			

When this amount is not attained the balance due to each Canton is paid out of the profits of more favourable years. Thus, on the 1st of January, 1865, a sum of 359,258 francs 36 centimes was owing to the Cantonal Governments, of which 4,305 francs were paid last year over and above the annual indemnity.

If, however, the Federal financial interests were disappointed in this source of revenue, the interests of Switzerland at large were admirably served by its transfer to the central authority. The effects of the new postal system exceeded every expectation. The gross receipts of this branch of the public administration, which in 1849 only reached the sum of 4,898,327 francs, had increased in 1861 to 7,112,951 francs, and is reckoned in the Budget for this year (1866) at 8,607,500 francs.

According to the Report of the Federal Postal Department for 1864 (the Report for 1865 has not yet been published), the net receipts amounted to 1,503,302 francs

50 centimes, as against 758,212 francs in 1850. The number of letters increased in the same period from 15,106,117 to 34,325,916; the parcels sent by post (Fahrpoststücke) from 2,099,368 to 4,813,264; the newspapers sent by post from 10,601,325 to 25,026,095. I may mention here that the number of newspapers sent in 1864 exceeds by no less than 1,562,625 that of the newspapers sent in 1863.

There are 11 postal districts, named after the chief towns of Geneva, Lausanne, Berne, Neuchâtel, Bâle, Aarau, Lucerne, Zurich, St. Gall, Coire, and Bellinzona. These districts contain 566 post offices, and 1,563 depôts de poste (corresponding to our pillar-posts and letter-boxes). The duties of the department are performed by 3,702 employés, whose joint salaries amounted, in December, 1864, to 2,402,603 francs 70 centimes, or about 28 per cent. of the gross receipts. In Baden the post-office salaries amount to 37 per cent.; in Great Britain, to 31 per cent.; in the United States, to 41 per cent. of the gross receipts.

The construction of railroads which took place within the period referred to (1850–1865), far from diminishing the activity of the Fahrpost, or branch of the Post-office employed in the transmission of travellers, has increased it, by opening up new districts, and creating new wants of communication.

The number of "kurse," or services, amounted, in 1856, to 244; in 1864 they had increased to 340. In the same way the number of carriages, omnibuses, sledges, &c., used had risen from 1,064 to 1,190. On the other hand, these services being performed on shorter distances, the number of horses had diminished from 3,840 to 2,800, and the vehicles employed were of a different kind. In 1856 there were 26 services worked by 5-horse vehicles, 34 worked by 4-horse vehicles, 78 by 2-horse vehicles, and 72 by 1-horse vehicles. In 1864 the 5-horse vehicles had diminished to 8, the 4-horse vehicles to 10, whilst those drawn by 2 horses and 1 horse had risen to 146 and 130 respectively.

Frontier Customs.

The Law passed on the 30th of June, 1849, abolished all internal Custom lines (between Cantons), as also all road or bridge dues ("Brücken und Chausseegelder") throughout the extent of the Confederation. In order to arrive at an exact notion of the change effected, it should

be understood that the total number of these dues and charges, varying in number and extent in each Canton, amounted to upwards of 400. There were road dues, bridge dues, tolls on the carriage of goods ("transportvorrechte"), Custom dues at the entrance of Cantons, octrois at the entrance of towns, dues levied by districts, dues levied by corporations, dues levied by privileged families. The storm which led to the establishment of the Helvetic Republic swept all these away for a time. But a doubtful wording in the Constitution of 1803 was taken advantage of to confirm (September 16, 1803), though only for the space of one year, the various Tariffs "handed down from the old times of the 'Eidgenössenschaft.'" This "provisional" state of things lasted, however, for the space of forty-five years; and some idea of its results may be gathered from the two following instances:—The manufacturer of St. Gall, desirous of forwarding his goods to Lyons and Marseilles, would send them by a circuit of 42 stunden (about 120 miles), viâ Ludwigshafen and Strasburg across the Wurtemberg and Baden territories, rather than expose them to the vexatious charges of the neighbouring Cantons through which lay the direct road. In the same way the heavy waggons laden with merchandize on their way from Zurich to Bâle, would take their road through the Grand Duchy of Baden rather than through Argovie, where they had to pay 20 centimes Weggeld (road-toll) per centner and, excepting at certain steep inclines, were not allowed to put in more than six horses.

But few lingering vestiges of this state of things remain The Federal Government deal very severely with any attempt on the part of the Governments of the Cantons to establish any vexatious charges. For instance, they lately opposed their veto to a tax on the licences which Swiss commercial travellers have to take out according to certain Cantonal legislations. They have also been recently treating with the Government of Bâle City for the redemption of a due known as the "Pfundzoll," according to which, at the sale of any horse or beast, both buyer and seller have to pay from 1 to 2 centimes on each lb. weight of the animal, a duty which produces from 7,000 to 8,000 francs a-year to the Cantonal Treasury.

It is right to mention here that, of the ancient Cantonal dues, a most important one was reserved to the Cantons by the Federal Constitution in the shape of the so-called "Ohmgelder." In most of the Cantons these dues do not

constitute a "Droit de Consommation," such as was reserved by Article 32 of that Constitution, but they are in reality a Cantonal frontier duty on wine and spirits.

This impost varies in name acccording to the several Cantons, as may be seen from the subjoined Table, which also gives the sums derived from it in 1862.—

TABLE OF OHMGELDER.

Denomination of Duty.	Canton.	Sum levied in 1862.
		Francs.
Ohmgeld	Berne	950,000
Ditto	Lucerne . ..	137,200
Ditto	Obwalden ..	6,875
Ditto	Glarus	14,200
Ditto	Zug	8,000
Ditto	Bâle City ..	86,000
Droit de Consommation ("Consumo-steuer")	Uri	14,000
Ditto	Nidwalden ..	3,763
Ditto	Soleure	153,900
Ditto	Bâle City ..	1,800
Ditto	Grisons . ..	67,500
Ditto	Argovie	58,850
Ditto	Tessin	68,600
Ditto	Vaud	94,800
Ditto	Valais	12,500
Droit d'entrée sur les boissons ("Einfuhrsteuer von Getränken") ..	Fribourg . ..	184,300
Ditto	Bâle City* ..	28,600
Ditto	Bâle Campagne ..	24,400
Ditto	St. Gall . ..	61,300
Ditto	Argovie . ..	68,800
Octroi	Geneva	240,330
	Carouge . ..	20,841

The sum total of taxation raised by the Cantons under these various denominations amounted in 1862 to nearly 2,500,000 francs. The question of the abolition of these dues has often been debated, but the compensation to be paid to the Cantons would be too heavy a charge for the Federal Treasury, and further the Cantons which like Zürich, Schaffhausen, both Appenzells, Thurgovie, and

* It will be seen that Bâle City raises three different taxes upon beverages. Publichouse-keepers have to pay 5 fr. 70 c. per saum (132 quarts) of native wine, and 2 francs per saum of beer; foreign wines and beer pay an entrance duty of 1 franc per saum; foreign high-priced wines (vins de luxe) and spirits pay a "droit de consommation" of 10 per cent. *ad valorem*. There is also a duty of 30 centimes per saum on all beverages in transit through the Canton.

Neuchâtel have either abolished these duties, or have never levied them, could not be brought to consent to a redemption at the expense of the Federal purse.

The new organization of the Customs was the subject of negotiation with each Canton separately. The same basis, that of a fixed annual indemnity, was adopted as with regard to the transfer of the Cantonal postal rights. The negotiation in a great measure owed its success to the efforts of the late Mr. A. Bischoff of Bâle. The result of these separate negotiations was to give the Cantons very unequal indemnities, as may be perceived from the following Table:—

CUSTOMS' INDEMNITIES TO CANTONS.

Canton.	Indemnity per Head of Population.	In Money.
	Fr. c.	Francs.
Zürich	0 40	135,213
Lucerne	0 40	72,705
Schwyz	0 40	23,735
Obwalden	0 40	7,221
Nidwalden	0 40	5,957
Glarus	0 40	17,136
Zug	0 40	8,946
Appenzell, Inner Rhoden	0 40	5,720
Appenzell, Ausser Rhoden	0 40	23,986
Neuchâtel	0 40	34,225
Berne	0 40 to 0 50	257,000
Fribourg	0 40 0 50	68,598
Soleure	0 50 0 60	45,714
Argovie	0 50 0 60	152,857
Thurgovie	0 50 0 60	64,286
Geneva	0 50 0 60	43,458
Vaud	0 60	220,187
St. Gall	0 60	166,722
Valais	0 60	105,902
Bâle Campagne ..	1 0 to 2 0	64,857
Schaffhausen	1 0 2 0	65,714
Tessin	1 0 2 0	284,200
Grisons	2 0 0 48½	300,000
Uri	3 0 0 99⅔	77,143
Bâle City	4 0 0 27⅗	148,571

The higher indemnities of the latter Cantons were fixed with regard to the expenditure entailed upon them by their mountain roads and passes. Uri comes in for a large share on account of the St. Gothard Road; as for Bâle city the sympathies of the negotiator for his native town may perhaps in part explain the proportion assigned to it.

The entire sum to be paid annually by the Federal to the Cantonal Governments on account of Customs, amounts to 2,462,405 francs 87 centimes. The surplus of the net proceeds goes to the Federal Treasury.

The Federal Constitution laid down the principles upon which the Swiss Customs' Tariff was to be based.

These are as follows:—

"Droits sur l'importation :

(*a.*) Les matières nécessaires à l'industrie du pays seront taxées aussi bas que possible ;

(*b.*) Il en sera de même des objets nécessaires à la vie ;

(*c.*) Les objets de luxe seront soumis au Tarif le plus élevé."

The wisdom of these principles has been most remarkably exemplified. From the outset the proceeds of the Customs have been the main stay of the Federal finances. Their nett proceeds for 1851 had been calculated at 1,682,000 francs. In reality the gross amount was 4,892,644 francs, and left, after subtraction of the indemnity to the Cantons, a net surplus of 1,848,686 francs for the Federal Treasury.

The following figures will furnish an idea of the rate of increase :—

		Francs.
1851.	Gross proceeds ..	4,892,644
	Net ditto . ..	1,848,686
1852.	Gross proceeds ..	5,716,014
	Net ditto . ..	2,576,514
1853.	Gross proceeds ..	5,884,372
	Net ditto . ..	2,754,000
In 1854 and 1855 there was a decrease.		
1856.	Gross proceeds ..	6,160,270
	Net ditto . ..	2,883,785
1860.	Gross proceeds ..	7,765,926
	Net ditto . ..	4,283,170
1861.	Gross proceeds ..	8,137,834
	Net ditto . ..	4,635,073
1862.	Gross proceeds ..	8,156,457
	Net ditto . ..	4,736,352
1863.	Gross proceeds ..	8,540,483
	Net ditto . ..	5,035,548
1864.	Gross proceeds ..	8,735,274
	Net ditto . ..	5,256,191
1865.	Gross proceeds ..	8,723,309
	Net ditto . ..	5,248,951

The diminution of 11,965 francs on the gross receipts of 1865 as compared to those of 1864, is owing to the reductions in the Tariff which came into operation on the 1st of July of last year.

The net proceeds of the Customs have thus in fifteen years increased nearly threefold, from ten-elevenths to eleventh-twelfths of the entire Federal income being derived from this source.

It is gratifying to be able to trace such results to a free trade policy.

"Switzerland," says Berlepsch (Schweizerkunde) "is, together with England, certainly one of the greatest agita-

tors for free trade, and furnishes a striking example of its advantages. Indeed, her example is more convincing even than that of England. She has, unlike England, no ports, no powerful fleet, no Envoys and Agents in all parts of the world, no redoubtable name; she lay pent up between the great nations, her neighbours, on a high plateau amidst the summits of the Alps, occupying a partly sterile spot of the globe, and deriving insufficient resources from her own soil. Her goods have to pass through foreign Custom lines on every side, and have to pay heavy freight to foreign ships. Yet everywhere are Swiss trade and Swiss manufactures to be met with; Swiss goods fear not the competition of the foreign articles which come across the Swiss frontier, so to speak, free of duty; and whilst Swiss produce is met at every frontier by protective duties, it is yet able to compete with the produce of foreign countries in their own markets."

The Federal Treasury are now beginning to derive profits from the administration of the telegraph which is under Federal management, and is placed under the direction of the Federal Councillor charged with the Postal Department.

In 1865 the net receipts from this source amounted to 111,048 francs. In 1863 they amounted to 101,038 francs, but were reduced to 85,499 francs in 1864 by a reduction in the charges for transmission. The receipts in 1865 promise, therefore, well for the future.

The number of messages forwarded was 456,871 in 1863 and 514,952 in 1864.

A new chapter in the, as yet brief, history of Federal finance begins with the year 1861. Up to that date the system of Federal subventions to public works of general utility (sketched out in Article 21 of the Federal Constitution) had not extended beyond the assistance really needed by some of the poorer Cantons. Thus, for instance, Uri, Schwyz and Unterwalden received a contribution of 74,250 francs towards works for the outflow of the lake of the four Cantons; Uri further received 15,000 francs for the rectification of the course of the River Reuss; Obwalden was paid the large sum of 400,000 francs for the Brünig Pass; 2,000 francs, raised to 8,000 francs in 1863, were spent on the monument to Winkelried at Stans, and with great impartiality 50,000 francs were granted for the erection of the Roman Catholic Church at Berne, and 25,000 francs for that of the Protestant Church at Lucerne. The other Federal

subventions consisted of contributions to agricultural shows, foreign exhibitions, emigration funds, &c., and sums granted on account of severe public calamities, such as the great fire at Glarus (10th and 11th May 1861).

In 1860–61, however, national works of the first magnitude began to be undertaken. The annexation of Savoy to the territory of the French Empire, drew the attention of the Federal authorities to the exposed position of the Valais, and to the advisability of connecting this and other outlying districts of Switzerland with the natural fortress formed by the high plateau of the Alps by means of military roads over the mountain passes. The same danger existing for the Grisons with respect to Austria and to the newly created military power of Italy, led to the construction of the great roads over the Furka and the Oberalp, and to that of a network of roads in the Canton of the Grisons, known as the "Bündnerstrassenetz." Another road, the Axenstrasse, along the shores of the Lake of Lucerne, was planned chiefly for commercial purposes. These various schemes were laid before the Federal Assembly in July 1861, and after considerable discussion the following sums were voted:—

	Francs.
Furka Strasse	800,000
Oberalp ditto	350,000
Axen ditto	600,000
Grisons ditto	1,000,000
Total	2,750,000

These subventions granted to the Alpine Cantons led to claims on the part of other Cantons for assistance in works for the rectification of the course of rivers flowing through their territories, which it became impossible to resist. The following sums were voted for these purposes:—

		Francs.
For the Rhine (one-third of total estimate)	To St. Gall ..	2,800,000
	To Grisons ..	350,000
For the watercourses in the Jura (partial works) ..		700,000
For the Rhône (in the Canton of Valais, one-third of total estimate)		2,640,000
Total		6,490,000

The entire sum hitherto spent on roads and rivers amounts therefore to 9,240,000 francs.

But the list of undertakings for which pressing demands

of subvention are made, is far from being closed with the above. The works in the Jura, if carried to their completion, will require a total sum of nearly 20,000,000 francs, of which, according to the precedents it has created for itself, the Federal Treasury should bear one-third. 4,670,000 francs were indeed voted for this purpose in December, 1863. The rivers Thur and Tessin likewise put forward their claims to Federal notice, and of late years the question of Federal subventions to Alpine railways has become the subject of most ardent, and in many instances bitter discussion.

However difficult it be to overrate the value and utility of these great works, and however patent the advantages of a central authority able to carry out undertakings which, left to the resources of the Cantons would probably never have been attempted, it may yet be inquired whether the system of Federal subventions does not contain elements of danger, in the first place to the Federal finances themselves, in the second place, to the federative character of the Swiss polity.

With respect to the first of these dangers, it may safely be said that the sums voted for public works are out of proportion to the actual resources of the Federal Treasury. If spread over a number of years, the outlay might not perhaps be too great, but all these claims are made at once, none of the claimants admitting of their being put off for a season, and a coalition of Cantons being at any time pretty certain to carry their wishes through with less regard to the requirements of a sound financial policy than to the local interests of each. It may, therefore, before long, become necessary to increase the resources of the central Government. This might easily be effected by raising the Customs' duties, but Swiss commerce and industry would never submit to so retrograde a policy. Failing this resource, it might be possible to introduce new monopolies, such as a monopoly of tobacco, or to impose direct taxes on the Cantons, or on individuals, or lastly, to contract public loans.

Hitherto, the Federal Government has kept free from any obligations of the latter kind (the only exception being two loans to the extent of 11,000,000 francs, raised in 1857 during the Neuchâtel events), and thoughtful men warn them from entering on a course which, sooner or later, may lead to the embarrassments of public debt, on the score of the danger which would thence arise to the

federative character of the Republic. "State taxes," it is said, "and State debts are characteristic consequences of State unity. State unity has, as a necessary consequence, State taxes and State debts, and State debts and taxes will, as a necessary consequence, produce State unity. Federalism cannot subsist long side by side with them." Such may be said to be some of the possible dangers attributed to Article XXI of the Federal Constitution.

On the other hand, it is right to state that the supporters of the system of Federal subventions point to the gradual but steady increase of the Federal revenue as being a triumphant answer to all the misgivings expressed on this subject. They also add, with considerable truth, that it is better to spend a surplus on works of unquestioned usefulness than to let it go towards swelling the reserve of the Federal Treasury (the so-called "Fortune de la Confédération"), which at the end of 1865 amounted to 11,193,370 francs.

The only loans contracted by the Federal Government amount to 11,000,000 francs (only about 3,000,000 francs of which remain unpaid), raised, as above stated, in 1857, at the time when the Neuchâtel difficulty nearly involved Switzerland in war. The actual sum expended on preparation for hostilities amounted to 3,456,091 francs, and a further expenditure of 2,510,479 francs was entailed by the concentration of troops on the Italian frontier during the events of 1859 and 1860.

The annual Report of the Finance Department for 1865 reckons the Extraordinary Credits voted between July 26, 1861, and December 31, 1865, at 14,651,355 francs: 2,170,603 francs figure as the Extraordinary Expenditure for the year 1865.

Besides the large sums spent on public works, the military expenditure has become a very heavy burden on the Federal Treasury. In 1851 it for the first time exceeded 1,000,000 francs. The events of 1857 raised it to 4,000,000 francs. Since then it reached in 1858 the sum of 2,000,000 francs.

	Francs.		Francs.
In 1860 ..	3,582,978	In 1863 ..	3,301,965
1861 ..	3,601,827	1864 ..	3,419,327
1862 ..	3,114,029	1865 ..	4,040,012

The Extraordinary Military Expenditure for 1865 amounted to 1,324,809 francs.

These sums, however, are far from representing the cost to Switzerland of its military organization. The contributions of the Cantons should be added, and, were it possible to do so, likewise the sums paid in each Canton (and varying immensely in each) by the individual private towards his clothing, armament, and equipment.*

After adding up all these separate contributions, the result, says a Swiss author, would be, that "however favourably one might be inclined to view the question of Swiss military expenditure by merely taking for one's basis superficial extracts from the Budgets, the comparison between the Swiss militia system and that of standing armies in monarchies would not bear so favourable an aspect as is generally allowed to it."

The reorganization of the Swiss military system has further had serious effects on the Cantonal finances. Although the Federal Government take upon themselves the expense of instruction of the "Armes spéciales" (artillery and engineers), as well as the cost of the annual concentration of troops for manœuvres and exercise, they have a power of supervision over the military arrangements of the Cantons, which, if it has put an end to many abuses, has also led to increased expenditure.

The Cantons are now strictly kept to the Regulations respecting the number of men they have to furnish, and the stores and ammunition they are bound to provide; the numbers of their Cavalry and Artillery have been increased; the uniforms and armament have been altered; and the consequences may be seen from the increase in the ordinary military expenditure of Berne, for instance, which in 1844 amounted to about 600,000 francs, and in 1861 had reached the sum of 850,248 francs.

In concluding this attempt at an historical sketch of the Federal finances, I should mention that in case of deficits a legal remedy is provided by the Federal Constitution in the shape of the so-called Cantonal Money Contingents.

The scale according to which these contributions are fixed is as follows:—

* I have been assured that the cost of his equipment, &c., to one of the Bernese militia amounts to 1,000 francs.

CANTONAL MONEY CONTINGENTS.

Name of Canton.	Contingent per Head of Population.	Name of Canton.	Contingent per Head of Population.
	Fr. c.		Fr. c.
Uri	0 10	Bâle Campagne ..	0 40
Unterwalden	0 14	Schaffhausen	0 40
Appenzell, Inner Rhoden..	0 14	Appenzell, Ausser Rhoden	0 40
Schwyz	0 20	Thurgovie	0 40
Grisons	0 20	St. Gall	0 40
Valais	0 20	Zürich	0 50
Glarus	0 25	Berne	0 50
Zug	0 30	Argovie	0 50
Tessin	0 30	Vaud	0 50
Lucerne	0 40	Neuchâtel	0 55
Fribourg	0 40	Geneva	0 70
Soleure	0 40	Bâle Ville	1 0

The total amount of these contributions, according to the Census of 1850, would amount to 1,041,081 francs.

Yet, however legal this remedy may be, it could hardly be resorted to on account of the unjust way in which it would act upon those Cantons, who having received no assistance from the Bund in the shape of subventions have in no way contributed to the embarrassments of Federal finance.

Another—if anything, more serious—objection to the Cantonal "money contingents" consists in the fact that the Cantons could not provide the sums required of them without increasing their taxation, so that virtually the raising of these "contingents" would be equivalent to the imposition of a direct Federal tax, the unpopularity and dangers of which have been pointed out above.

Under all these circumstances it is not impossible that a new epoch in the history of Federal Finance may shortly open, when, following the example of other nations, Switzerland may be induced to fall back on her, as yet, untried credit, and to indulge in the modern luxury of national loans.

The "Compte d'Etat" for 1865 just published presents the following figures :—

REVENUE.

			Fr.	c.
1. Income from real property and invested capital			208,610	64
2. Interest on floating capital and loans			104,150	83
3. Government monopolies and Administrations :—				
Gross Receipts—		Fr. c.		
A. Receipts from the Customs		8,723,309 73		
B. Ditto from Post Office		8,348,173 7		
C. Ditto from Telegraphs		768,582 25		
D. Ditto from Powder monopoly . ..		754,227 74		

	Fr. c.	Fr. c.
Gross Receipts—		
E. Receipts from Percussian-cap monopoly..	41,405 60	
F. Ditto from Polytechnic School ..	57,486 38	
G. Ditto from Government studs . ..	100,108 98	
		18,793,293 75
4. Various other receipts and indemnities		82,068 95
Total		19,188,124 17
Receipts according to Budget		18,893,000 0
Excess		295,124 17

EXPENDITURE.

1. Interest on debt		181,518 5
2. Cost of General Administration—	Fr. c.	
A. National Council	88,672 0	
B. Council of States	5,558 0	
C. Federal Council	61,000 0	
D. Federal Tribunal	6,289 30	
E. Federal Chancellerie	153,250 41	
F. Pensions	25,813 20	
		340,582 91
3. Departments—		
A. Political (Foreign Office)	135,096 60	
B. Home	734,475 66	
C. Military	19,595 20	
D. Financial	72,153 45	
E. Commercial and Customs	17,547 67	
F. Justice and Police	100,582 16	
		1,079,450 74
4. Special Administrations—		
A. Military	4,113,410 28	
B. Customs	3,474,357 86	
C. Postal	8,348,173 7	
D. Telegraph	657,533 48	
E. Powder	710,801 28	
F. Percussion caps	32,832 64	
G. Polytechnic School	376,447 22	
H. Government studs	99,343 6	
Total		19,416,599 84
Less than Budget		1,208,505 40

BALANCE.

Revenue	19,188,124 17
Expenditure	19,416,599 84
Deficit	228,475 67

EXTRAORDINARY EXPENDITURE.

Roads in the Grisons	160,600 0
Correction of the Rhine	190,000 0
Correction of the Rhone	171,590 0
Furka Road	293,644 40
Axen Road	9,211 46
Barracks at Thun	446,117 95
Purchase of muskets	696,747 20
Purchase of rifled cannon	139,514 95
Trials of rifled cannon	33,216 82
Occupation of Geneva	146,309 71
Total	2,286,952 31

If the sum spent under the head of Extraordinary Expenditure be deducted, it would be seen that there would have been a net surplus of 2,058,476 francs 64 centimes.

The deficit which was reckoned in the budget for 1865 at 1,225,000 francs, in reality, only amounted to 228,475 francs 67 centimes.

The receipts from the Customs and from the telegraph exceeded the sums they had been put at in the budget by 723,339 francs 73 centimes and 68,582 francs 25 centimes respectively.

There was further a saving of 219,152 francs 3 centimes on the ordinary expenditure of the military administration.

On the other hand, the Post-office and powder monopolies produced respectively 216,326 francs 93 centimes and 253,772 francs 26 centimes less than had been expected.

The so-called "Fortune" (assets) of the Confederation amounted in December 31st, 1865, to 15,235,324 francs 24 centimes. The liabilities amounted to 4,041,954 francs 18 centimes, thus leaving a net of 11,193,370 francs 6 centimes.

The real property consists of fortifications, exercising-grounds, arsenals, Custom-house buildings, &c., and is valued at 2,177,234 francs 4 centimes; the "Fonds d'Exploitation" to 2,760,257 francs 53 centimes; the inventory of property belonging to the various Administrations (chiefly military "Matériel") is reckoned at 3,487,341 francs 78 centimes; the capital invested in securities amounts to 3,568,155 francs 36 centimes; lastly, there is a sum of 3,193,385 francs 20 centimes in the Treasury.

Finally, it may be observed that in the period between the years 1853 and 1865 the Federal revenue has increased from 14,094,393 francs to 19,188,124 francs 17 centimes, whilst in the same period the expenditure has risen from 13,172,733 francs to 19,416,599 francs 84 centimes.

In order to give a clearer idea of the Federal expenditure I shall now take the "compte d'état" of 1864, and endeavour to show the net expenditure for that year, and the various proportions in which it was applied.

The gross expenditure amounted to 18,716,243 francs; the net expenditure was 5,200,498 francs.

This latter sum is obtained by subtracting all the expenses of the different administrations of the Customs, Post-office, Telegraphs, Powder, Percussion Caps, Mint, Telegraph Works, and Government Studs. The receipts of the Military Administration amounting to 64,444 francs, and those of the Polytechnic School amounting to 42,726 francs, are likewise subtracted.

Net Federal Expenditure in 1864.

Expenses.	Cost.	Per Head of Population.	Per-centage of Total Expenses.
	Francs.	Fr. c.	
1. General cost of Administration	470,659	0 18	9·05
2. Military	2,523,067	1 0	48·52
3. Federal Tribunal	43,120	0 2	0·83
4. Police	5,000	0 0	0·10
5. Agriculture	20,000	0 1	0·39
6. Collection of Revenue ..	57,351	0 2	1·10
7. Public Works	1,535,427	0 61	29·51
8. Public Instruction, Arts and Science..	484,971	0 19	9·83
9. Public Charity	10,000	0 0	0·19
10. Miscellaneous Expenses ..	50,901	0 2	0·98
Total	5,200,496	2 7	100·0

The "General cost of Administration" includes the Diplomatic and Consular expenses (the Confederation has Missions in France, Austria, and Italy) amounting to 130,698 francs; the salaries, &c., of the National Council, 81,597 francs; the expenses of the Council of States, 6,745 francs; those of the Federal Council, 57,659 francs; and of the Federal Chancellerie, 139,905 francs.

The "Expenditure on Public Works" comprises 172,800 francs for the Grisons roads, 150,000 francs for the works of the Rhine, 220,000 francs for those of the Rhone, 367,000 francs for the Furka road, 163,810 francs for the Oberalp road, 171,989 francs for the Axenroad, and 233,558 francs for the new barracks at Thun.

The 10,000 francs spent on "Public charity" were sent to Swiss charitable institutions abroad.

Of the "Miscellaneous" expenditure by far the greater portion was applied to the relief of the Polish refugees. Up to May 1865 the Federal and Cantonal Governments together had granted the sum of 182,379 francs for this purpose.

Cantonal Finances.

Taxation in the Cantons bears the impress of the two distinct races (Latin and Teutonic) to which the people of Switzerland belong. The western Cantons have preserved the French system of taxation, down to the unpopular "centimes additionels" still levied at Geneva.

The German Cantons up to a recent period presented

various subdivisions or groups, owing to the similarity of their principles of taxation to their common history and development. In this point again the influence of the Central Power and the modern tendency towards State unity have made themselves felt, and no less than seventeen Cantons have modified their laws of taxation within the period that has elapsed since the promulgation of the Federal constitution.

Indirect taxes are common to all the Cantons, whilst direct taxes are also levied, or at least recognized as legal, in all excepting Lucerne, Uri, and Obwalden.

The collective income of the twenty-five Cantons and half Cantons for the year 1862 amounted to 30,600,000 francs. Of this sum 22,373,655 francs, or about 73 per cent., were derived from both direct and indirect taxes (inclusive of State monopolies and dues). The direct taxes (property, income taxes, and person taxes) brought in 6,210,000 francs, or 20 per cent. of the entire income. The general Cantonal taxation amounted to 8·91 francs per head of the population.

The direct taxes are of various kinds. Amongst them appear the names of poll tax, capitation tax on males, virile tax (these are to be found in the purely democratic Cantons, such as Grisons, Glarus, Schwytz, &c.). Property is likewise taxed under various forms. We find a property tax, an income tax, a land tax, a tax on capital, a tax on personal property, &c.

The Cantonal Budgets are steadily increasing; on the other hand, the proceeds of the indirect taxes are as steadily decreasing, and new direct taxes take their place.

I subjoin six Tables; the first two showing the revenue derived from the direct and indirect taxes in each of the Cantons, the third the sums received from the State monopolies, the fourth the proceeds of the various Cantonal dues, the fifth the amount of the Cantonal fees and fines, the sixth the proportion of taxation to the population in each Canton.

TABLE 1.

I.—TAXES.	Zurich.	Berne.	Lucerne.	Uri.	Schwytz.	Unterwalden. Ob dem Wald.	Unterwalden. Nid dem Wald.	Glarus.	Zug.	Fribourg.	Soleure.	Bâle. City.	Bâle. Campagne.
	1862.	1862.	862.	1862–63.	1862.	Budget for 1864–65.	1861.	1862.	1862.	1862.	1862.	1861.	1862.
A. DIRECT STATE TAXES.													
1. Property Tax—	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.
a. Tax on Movable Property or Capital ...	611,997	314,050	...	...	61,713	...	25,082	187,489	17,665	...	...	...	...
b. Tax on Real Property or Land Tax ...	...	928,440	...	...	...	...	...	...	...	468,899	...	...	...
2. Income Tax—													
a.	150,280	...	...	...	...	...	...	...	...	...	...	...	...
b.	contained in 1	162,379	...	...	...	...	...	...	2,881	...	...	425,928	...
3. Personal or Capitation Tax	...	...	...	...	contained above	...	...	12,660	...	...	...	...	...
Total	762,277	1,404,869	...	...	61,713	...	25,082	200,149	20,546	468,899	...	425,928	...

I.—TAXES.	Schaffhausen.	Appenzell. Ausser-Rhoden.	Appenzell. Inner-Rhoden.	St. Gall.	Grisons.	Argovie.	Thurgovie.	Tessin.	Vaud.	Valais.	Neuchâtel.	Geneva.	Total.
	1860–61.	1862.	1860–61.	1862.	1862.	1862.	1862.	1862.	1862.	Budget for 1863.	1862.	1862.	
A. DIRECT STATE TAXES.													
1. Property Tax—	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.
a. Tax on Movable Property or Capital ...	49,850	160,000	40,000	343,548	241,745	...	141,848	153,7	628,590	130,000	362,926	266,076)	5,382,579
b. Tax on Real Property or Land Tax ...	2, *b*, included.	...										248,845)	
Income Tax—													
a.	...	...	...	...	...	...	...	...	...	...	...	...	150,280
b.	...	...	...	39,524	above under 1	...	above under 1	...	...	included above	included above	...	(630,712)
Personal or Capitation Tax	...	...	...	...	...	...	...	...	...	...	...	30,386	(43,046)
Total	49,950	160,000	40,000	383,072	241,745	...	141,848	53,616	628,590	130,000	362,926	545,307	6,206,617

TABLE 2.

B. INDIRECT TAXES.	Zurich.	Berne.	Lucerne.	Uri.	Schwytz.	Unterwalden. Ob dem Wald.	Unterwalden. Nid dem Wald.	Glarus.	Zug.	Fribourg.	Soleure.	Bâle. City.	Bâle. Campagne.
	1862.	1862.	1862.	1862–63.	1862.	Budget for 1864–65.	1861.	1862.	1862.	1862.	1862.	1861.	1862.
	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.
1. Tax on articles of consumption	185,075	...	12,477	20,756	...	...	...	...	7,165	192,668	221,029	20,263	..
2. Ohmgeld	...	936,248	168,504	...	...	13,830	11,023	14,065	...			132,350	38,419
3. Stamps	72,712	127,222	20,425	3,376	4,500	...	...	277	2,714	56,935	...	68,136	...
4. Tax on property changing hands	...	...	...	...	...	...	...	3,641	6,738	1,104	48,046	144,731	28,079
5. Registering dues	...	169,478	...	...	...	...	...	...	...	82,246	...	...	..
6. Legacy duty	...	92,850	7,038	236	...	...	...	232	...	60,431	31,941	43,034	6,554
7. Assessed taxes—													
a. On servants	...	...	...	...	...	...	...	...	...	...	...	...	...
b. On carriages and horses...	...	...	...	...	...	...	...	...	...	4,160	...	...	...
c. On dogs	20,194	...	2,215	...	...	...	...	...	2,572	15,116	9,684	Vide III, 4	4,530
Total	277,981	1,325,798	210,659	24,368	4,500	13,830	11,023	18,215	19,189	412,660	310,700	408,514	77,582

B. INDIRECT TAXES.	Schaffhausen.	Appenzell. Ausser-Rhoden.	Appenzell. Inner-Rhoden.	St. Gall.	Grisons.	Argovie.	Thurgovie.	Tessin.	Vaud.	Valais.	Neuchâtel.	Geneva.	Total.
	1860–61.	1862.	1860–61.	1862.	1862.	1862.	1862.	1862.	1862.	Budget for 1863.	1862.	1862.	
	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.
1. Tax on articles of consumption	...	...	...	63,926	75,780	96,301	35,400	194,685	270,901	12,000	...	...	3,048,962
2. Ohmgeld	...	...	...	...	...	70,196	...	...	...	...	...	...	
3. Stamps...	...	...	...	35,486	998	...	15,260	34,010	104,297	10,000	...	53,211	541,423
4. Tax on property changing hands	14,375	...	...	...	...	...	57,886	9,536	732,823	5,000	102,732	215,112	1,642,112
5. Registering dues	...	...	...	...	...	...	...	...	...	...	8,520	156,796	
Legacy duty	15,562	...	...	...	...	14,876	30,113	26,085	...	...	...	297,522	583,440
Assessed taxes—													
a. On servants	...	...	...	...	...	...	...	...	...	...	...	36,147	36,147
b. On carriages and horses...	...	...	...	...	...	...	...	...	15,156	...	...	15,771	35,087
c. On dogs	3,010	...	...	...	...	...	6,859	2,326	30,342	4,000	...	8,828	109,676
Total	32,947	...	...	99,412	76,778	181,373	145,518	266,642	1,153,519	31,000	111,252	783,387	5,996,847

TABLE 3.

II.—STATE ROYALTIES AND MONOPOLIES.	Zurich.	Berne.	Lucerne.	Uri.	Schwytz.	Unterwalden. Ob dem Wald.	Unterwalden. Nid dem Wald.	Glarus.	Zug.	Fribourg.	Soleure.	Bâle. City.	Bâle. Campagne.
	1862.	1862.	1862.	1862–63.	1862.	Budget for 1864–65.	1861.	1862.	1862.	1862.	1862.	1861.	1862.
	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.
1. Post Office ... } Share of Indemnity from {	232,773	249,934	57,958	29,852	2,857	340	171	10,330	3,295	20,321	10,491	104,466	16,804
2. Customs ... } Federal Treasury {	129,380	271,500	72,705	77,143	23,735	7,220	5,957	17,136	8,946	53,598	45,714	64,147	64,857
3. Royalties of salt and other mines	15,077	7,200	...	...	...	...	...	...	...	...	2,000	...	...
4. Water rights	9,921	...	...	...	...	...	...	...	...	...	1,720	...	...
5. Monopoly of sale of salt	252,224	773,620	226,727	30,624	69,554	22,000	14,068	42,766	8,427	176,643	219,545	60,978	140,180
6. Shooting rights	8,680	24,316	5,569	...	2,037	...	60	...	880	6,532	4,253	...	...
7. Fisheries	contained above under 4	4,799	374	...	...	...	...	...	...	2,202	829	...	...
8. Lotteries	...	...	...	3,657	...	...	800	...	...	...	...	...	...
Total	648,055	1,331,369	363,333	141,276	98,183	29,560	21,056	70,232	41,548	259,296	284,552	229,591	221,841

II. STATE ROYALTIES AND MONOPOLIES.	Schaffhausen.	Appenzell. Ausser-Rhoden.	Appenzell. Inner-Rhoden.	St. Gall.	Grisons.	Argovie.	Thurgovie.	Tessin.	Vaud.	Valais.	Neuchâtel.	Geneva.	Total.
	1860–61.	1862.	1860–61.	1862.	1862	1862.	1862.	1862.	1862.	Budget for 1863.	1862.	1862.	
	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.
1. Post Office ... } Share of Indemnity from {	2,497	12,534	269	89,328	37,822	146,695	25,524	14,909	208,380	26,488	74,676	97,281	1,475,995
2. Customs ... } Federal Treasury {	65,714	23,986	7,500	166,722	250,988	120,180	64,285	271,428	220,187	105,902	34,225	43,458	2,216,613
3. Royalties of salt and other mines	...	...	...	...	...	...	...	...	6,840	7,000	3,502	...	41,669
4. Water rights	...	677	...	6,750	...	7,964	...	...	...	30,000	...	...	57,032
5. Monopoly of sale of salt	34,415	35,859	7,250	196,817	121,633	194,730	88,685	324,436	265,821	264,000	108,769	150,568	3,850,439
6. Shooting rights	1,243	...	...	5,513	4,952	9,712	3,871	7,236	21,771	4,000	...	5,508	116,133
7. Fisheries	...	...	...	...	...	1,809	...	...	9,621	600	1,505	1,060	22,799
8. Lotteries	...	...	...	...	...	...	...	...	...	...	...	...	4,457
Total	103,869	73,056	15,019	465,130	415,395	481,090	182,465	618,009	732,620	437,990	222,677	297,875	7,785,087

Table 4.

III.—DUES AND LICENCES.	Zurich.	Berne.	Lucerne.	Uri.	Schwytz.	Unterwalden. Ob dem Wald.	Unterwalden. Nid dem Wald.	Glarus.	Zug.	Fribourg.	Soleure.	Bâle. City.	Bâle. Campagne.
	1862.	1862.	1862.	1862–63.	1862.	Budget for 1864–65.	1861.	1862.	1862.	1862.	1862.	1861.	1862.
	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.
1. Dues payable on acquiring rights of citizenship	6,650	...	...	...	300	...	...	...	1,600	3,441	...	...	360
2. Dues payable on settling (workmen's travelling certificates, passports, cartes de séjour, certificates of origin)	...	...	1,150	41	1,701	...	129	2,846	...	10,824	...	...	...
3. Trade dues (licences to trade and patents)	13,443	212,656	4,128	...	...	890	1,764	...	6,077	...	10,436	5,714 including dog tax	2,089
4. Public-house and tavern licences, billiards, &c.	45,441		13,199	...	...	...	...	...	5,006	12,665	25,740	...	40,825
Total	65,534	212,656	18,477	41	2,001	890	1,893	2,846	12,683	26,930	36,176	5,714	43,274

III.—DUES AND LICENCES.	Schaffhausen.	Appenzell. Ausser-Rhoden.	Appenzell. Inner-Rhoden.	St. Gall.	Grisons.	Argovie.	Thurgovie.	Tessin.	Vaud.	Valais.	Neuchâtel.	Geneva.	Total.
	1860–61.	1862.	1860–61.	1862.	1862.	1862.	1862.	1862.	1862.	Budget for 1863.	1862.	1862.	
	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.	Fr.
1. Dues payable on acquiring rights of citizenship	3,250	...	1,000	...	2,800	...	3,700	...	...	1,000	500	...	24,601
2. Dues payable on settling (workmen's travelling certificates, passports, cartes de séjour, certificates of origin)	...	904	26	5,076	2,577	3,786	5,198	11,906	28,229	7,000	28,392	38,869	148,654
3. Trade dues (licences to trade and patents)	2,213	978	335	24,112	above, *sub* II, 6	...	7,722	...	...	30,100	7,068	...	613,924
4. Public-house and tavern licences, billiards, &c.	22,416	...	...	37,580	...	42,286	...	...	40,587	24,000	...	4,454	
Total	27,879	1,882	1,361	66,768	5,377	46,072	16,620	11,906	68,816	62,100	35,960	43,323	817,179

Table 5.

IV.—FEES.	Zurich.	Berne.	Lucerne.	Uri.	Schwytz.	Unterwalden. Ob dem Wald.	Unterwalden. Nid dem Wald.	Glarus.	Zug.	Fribourg.	Soleure.	Bâle. City.	Bâle. Campagne.
	1862.	1862.	1862.	1862–63.	1862.	Budget for 1864–65.	1861.	1862.	1862.	1862.	1862.	1861.	1862.
1. Administrative taxes—													
a. Military taxes (exemption from military service, punishments, &c.)	Fr. 178,785	Fr. 57,233	Fr. 32,386	Fr. 520	Fr. ...	Fr. 960	Fr. ...	Fr. ...	Fr. 4,319	Fr. 6,061	Fr. 45,406	Fr. 4,566	Fr. 17,274
b. Marriage taxes	...	...	19,845	...	...	...	...	530	...	20,456	...	...	...
c. Dancing licences	...	...	2,382	...	...	...	...	...	...	...	...	...	...
d. Chancery dues (administrative fees, Cantonal newspapers, health dues, licences for sale of wood)	...	5,803	12,329	615	392	...	560	1,972	359	9,946	94,094	22,664	5,574
2. Judicial taxes (dues in law suits, Chancery fees)	22,519	55,372	18,353	3,275	1,025	3,800	4,176	9,549	4,856	21,967	26,233		18,368
Total	201,304	118,408	85,295	4,410	1,417	4,760	4,736	12,051	9,534	58,430	145,733	27,230	41,216
V.—FINES AND PENANCE MONEY ...	27,512	17,615	4,480	1,941	3,189	...	...	6,368	1,632	5,636	5,987	10,578	5,043

IV.—FEES.	Schaffhausen.	Appenzell. Ausser-Rhoden.	Appenzell. Inner-Rhoden.	St. Gall.	Grisons.	Argovie.	Thurgovie.	Tessin.	Vaud.	Valais.	Neuchâtel.	Geneva.	Total.
	1860–61.	1862.	1860–61.	1862.	1862.	1862.	1862.	1862.	1862.	Budget for 1863.	1862.	1862.	
1. Administrative taxes—													
a. Military taxes (exemption from military service, punishments, &c.)	Fr. 24,070	Fr. ...	Fr. 251	Fr. 79,505	Fr. 20,234	Fr. 90,258	Fr. 62,600	Fr. 8,302	Fr. 36,307	Fr. 5,000	Fr. 56,426	Fr. 19,659	Fr. 730,122
b. Marriage taxes	...	...	2,225	...	819	...	...	...	...	...	...	...	43,875
c. Dancing licences	...	...	...	...	...	...	...	...	...	...	...	...	2,383
d. Chancery dues (administrative fees, Cantonal newspapers, health dues, licences for sale of wood)	...	...	...	5,527	1,803	17,952	2,707	25,942	...	3,696	11,538	9,225	634,234
2. Judicial taxes (dues in law suits, Chancery fees)	3,213	14,168	...	5,514	284	102,709	28,392	0,427	18,135	...	8,150	21,051	
Total	27,283	14,168	2,476	90,546	23,140	210,919	93,699	44,671	54,442	8,696	76,114	49,935	1,410,613
V.—FINES AND PENANCE MONEY	2,683	...	2,451	13,858	762	9,471	12,013	1,059	...	1,500	7,296	6,298	157,312

TABLE 6.—PROPORTION of the Proceeds of the Direct and Indirect Cantonal Taxes to the Population.

Cantons.	Population.	Gross Proceeds of the Direct Taxes.	Gross Proceeds of the Indirect Taxes.	Total of Gross Proceeds of Direct and Indirect Taxes.	Proportion per Head.		
					Direct Taxes.	Indirect Taxes.	All Taxes.
		Fr.	Fr.	Fr.	Fr. c.	Fr. c.	Fr. c.
Bâle, City...	40,683	425,928	681,627	1,107,555	10 47	16 75	27 22
Geneva	82,876	545,307	1,180,718	1,726,125	6 58	14 25	20 83
Vaud	213,157	628,590	2,049,397	2,637,987	2 95	9 61	12 38
Uri...	14,471	...	172,036	172,036	...	11 67	11 67
Fribourg	105,523	468,899	762,952	1,231,851	4 44	7 23	11 67
Soleure	69,263	...	783,148	783,148	...	11 31	11 31
Berne	467,141	1,404,869	3,005,846	4,410,715	3 0	6 44	9 44
Tessin	116,343	153,716	942,287	1,096,003	1 32	8 10	9 42
Neuchâtel	87,369	362,926	453,299	816,225	4 15	5 19	9 34
Glarus	33,363	200,149	110,712	309,861	5 99	3 32	9 29
Grisons	90,713	241,745	521,392	763,137	2 66	5 75	8 41
Bâle, Campagne	51,582	...	388,956	388,956	...	7 54	7 54
Zurich	266,265	762,277	1,220,386	1,982,663	2 86	4 58	7 45
Valais	90,792	130,000	541,286	671,286	1 43	5 96	7 39
Schaffhausen	35,500	49,950	194,661	244,611	1 41	5 48	6 89
Thurgovie...	90,080	141,848	450,415	592,163	1 57	5 0	6 57
St. Gall	180,411	383,072	735,714	1,118,786	2 12	4 8	6 20
Nidwalden	11,526	25,082	38,708	63,790	2 17	3 36	5 53
Zug	19,608	20,546	84,586	105,132	1 5	4 31	5 35
Lucerne	130,504	...	692,244	692,244	...	5 30	5 30
Appenzell Ausser-Rhoden	48,431	160,000	89,106	249,106	3 30	1 84	5 15
Appenzell Inner-Rhoden.	12,000	40,000	21,307	61,307	3 33	1 78	5 11
Argovie	194,208	...	928,925	928,925	...	4 78	4 78
Schwytz	45,039	61,713	109,290	171,003	1 37	2 43	3 79
Obwalden...	13,376	...	49,040	49,040	...	3 67	3 67
Total	2,510,494	6,206,617	16,208,038	22,373,655	2 47	6 45	8 91

I will now take each Canton separately in its official order,* and endeavour to give a short sketch of its financial condition in the year 1862, the last respecting which I have been able to obtain complete data.

Zurich (31 *square leagues,* 266,000 *inhabitants*).

The finances of this Canton are in a very flourishing condition. The public domains have been sold, and out of the proceeds thereof, together with the liquidation of the tenths, a fund called the "Domänen Kasse" has been formed. The expenditure on public roads is defrayed out of this fund. The entire so-called "Fortune" (State property and assets) of the Canton amounted at the end of 1860 to 39,250,000 francs. It has been raised to 43,000,000 francs by the secularization of the rich monastery of Rheinau. The revenue derived from this property amounted to 1,054,303 francs. The sum of

* The Cantons take rank according to the period at which they entered the Confederation. If this order were strictly adhered to, Uri would be the first, but the three Cantons of Zurich, Berne, and Lucerne, having under the old Confederation alternately enjoyed the position of Vorort or President of the whole Confederacy, still take precedence of the other Cantons.

1,778,815 francs had been spent by the Canton on the Federal Polytechnic Schools.

Chief Items of Revenue (3,115,337 *francs*).

	Francs.
Monopoly of salt	252,224
Property and income tax, at 1 per 1,000 ..	552,197
Handelsklassen tax	150,281
Military exemption tax	178,785
Tax on inns and public-houses	185,075
Stamps*	72,712

Chief Items of Expenditure (3,110,367 *francs*).

	Francs.
Grand Council, Deputies to Federal Council of States, Government Council,† State Chancellerie, Political Affairs, &c.	70,392
Administration of districts (of which there are 11) ..	81,018
Home Department	54,100
Police and penitentiaries and prisons	211,466
Justice	184,339
Collection of revenue, &c.	106,713
Public works	508,082
Military expenditure	473,654
Public instruction	721,481
Church (salaries of clergy 367,282 francs) ..	389,703

Berne (125 *square leagues*, 467,000 *inhabitants.*)

The financial history of this agricultural Canton is not without interest. Up to the year 1798, the Republic of Berne was probably one of the richest States of Europe for its size. During the French revolutionary period violent hands were laid upon the public Treasury. Some portion of the State capital having been invested in England, was preserved from the general wreck by the refusal of the British Government to acknowledge the Helvetic Republic as the rightful successor of the Bernese Government. This sum, when brought back from England after the restoration of the old Government, amounted to 8,000,000 francs, and it was increased by the indemnity exacted from France of 13 per cent. on the sums abstracted from the public chests in 1798. Annual budgets were first introduced in 1820; but with the fall of the Oligarchy in 1831,

* Up to January 1, 1864, there was a stamp duty on newspapers. In the discussion on the abolition of this duty it was stated that the newspapers printed and stamped in the Canton in the course of a year would have covered a space of 310 Swiss jucharten, equal to 40,000 Swiss square feet.

† The Presidents of both Councils receive salaries of 4,000 francs, the seven Councillors of 3,500 francs each

a new financial system arose. The administrative fees and perquisites which had been levied under the old order of things by the unpaid authorities taken from the patrician class, were replaced by fixed salaries; the public roads were placed under the supervision of the State, popular education was made compulsory, and schools were largely supported. A direct tax on property and income was introduced in 1847, and after redemption of the old feudal dues, a yearly contribution to the communes for the support of their poor was allowed to the extent of 579,000 francs. All these changes, however, only affected what is known as the "old Canton" of Berne, and the financial system of the Jura or western portion was left untouched.

The net "fortune" of the Canton, according to the Compte d'Etat of 1862, amounted to 44,930,210 francs. This sum does not include the "Staatsbahn" Railway which was bought in by the Cantonal Government at the failure of the "Ostwestbahn" in 1861.

The loans hitherto contracted by this Canton amount to about 18,000,000 francs, the greater portion of which was spent on railways.

Chief Items of Revenue (5,273,120 *francs*).

	Francs.
Proceeds of woods and forests	235,979
Ditto of domains	50,725
Proceeds of capital (chiefly invested in the Cantonal State Bank	617,076
Salt monopoly	773,620
Ohmgeld and distilling patents	936,248
Stamps	127,222
Duty on property changing hands	162,212
Legacy duty	92,850
Land, capital, and income tax in the old Canton (the last at 4 per cent. the first two at $1\frac{6}{10}$ per thousand	1,122,427
Land tax in the Jura*	218,255

Chief Items of Expenditure (5,387,834 *francs*).

	Francs.
General administration†	244,083
Direction of home affairs	86,350
Poor	750,480
Justice and police	508,799
Church‡	639,549

* The Jura has preserved the French system of taxation.

† Salaries: President of Government, 5,500 francs; Government Councillors, 5,000 francs; Chief Judge, 4,400 francs, &c.

‡ Salaries of Catholic clergy, 115,662 francs; of Protestant ditto, 515,290 francs.

	Francs.
Finances (collection of revenue)..	122,069
Education	861,654
Military expenditure	684,012
Public works	990,357
Extraordinary budget	188,808

There has been of late years a deficit, which in 1862 amounted to 107,902 francs, without reckoning the deficit of the "Staatsbahn," which in 1865 reached the sum of 600,000 francs.

Lucerne (27¼ *square leagues*, 130,000 *inhabitants*).

The finances of this Catholic Canton would hardly yet have recovered the disastrous effects of the Sonderbund war, had not the ultra-liberal Government which came into power after that struggle laid hands upon the Church property in the Canton, which, unlike that in other parts of Switzerland, had remained untouched.

The rich monasteries of St. Urban and Rathhausen were secularized, the property sold, and a contribution of 700,000 francs levied on all convents and religious foundations. The church property is, notwithstanding, still very considerable, and was valued at 5,500,000 francs at the end of 1861. The Stift Münster alone is supposed to own property to the extent of 2,583,570 francs. Thanks to these strong measures, all the debts of the Canton have been cancelled, and instead of the assets amounting as in 1847 to no more than 650,000 francs in excess of the liabilities, the State owned in 1862 a net fortune of 5,500,000 francs.

Chief Items of Revenue (907,530 *francs*).

	Francs.
Proceeds from real property, capital, &c.	124,548
Excise on wine, spirits, public-house licences, &c. ..	194,682
Salt monopoly	226,727
Tax on marriages*	19,845
Receipts from fund for education	61,360
Fines	14,480

Chief Items of Expenditure (1,132,884 *francs*).

	Francs.
Cost of general administration	125,355
Police	122,419
Military expenditure	187,129
Finances (collection of revenue)..	88,089
Public works	293,578
Education	263,297
Justice	91,775

* The bridegroom has to pay 30 francs to the State.

The Budget for 1864 foresaw a new deficit of 103,404 francs.

Uri (19½ *square leagues*, 14,700 *inhabitants*).

The sums spent since 1828 by this diminutive Canton on the St. Gothard-road, the Sonderbund war, new barracks, the correction of the bed of the Reuss, and the new Alpine roads subventioned by the Federal Government, have saddled it with a debt of 542,459 francs.

The real and other property of the Canton cannot be considerable since, according to the accounts of 1862–63, it only produced, 5,565 francs. The receipts were put at 181,771 francs, of which the Federal Postal and Customs indemnities furnished 106,995 francs; further there appear 30,624 francs from the salt monopoly, 20,756 francs from the excise on wine and spirits, 3,376 francs from the stamps and patents, and 3,657 francs from the privileged lottery.

Chief Items of Expenditure (192,226 *francs*).

	Francs.
Cost of general administration	5,495
Justice	7,995
Military expenditure	23,765
Finances (including interest on debt)	36,913
Police	9,270
Public works	25,355
Home Department	8,137
Education	4,761
External and "diplomatic"	11,575

Direct taxation is unknown in the Canton.

Schwytz (16 *square leagues*, 45,000 *inhabitants*).

The finances of Schwytz are complicated by its division into six districts, so independent of each other, as almost to make the Canton a miniature Federative State.

Chief Items of Revenue (176,763 *francs*).

	Francs.
Salt monopoly	69,554
Property tax at 1 per mille and capitation tax at 1 franc per citizen	58,996
Stamps	4,073
Shooting licences	5,459

Chief Items of Expenditure (294,500 *francs*).

	Francs.
Cost of general administration	27,856
Schools	7,529
Justice	7,972
Police	13,811
Military expenditure	38,660
Public works (chiefly roads)	162,914
Interest on debt	23,659

The debt of the Canton at the end of 1362 amounted to 524,877 francs, bearing interest at 4 and 4½ per cent.

No data have been published respecting the half Canton of Obwalden.

Nidwalden (5¼ *square leagues,* 11,500 *inhabitants*).

This Lilliputian half-Canton possesses property (capital, forests, &c.) to the extent of 145,415 francs. The public debt amounts to 104,206 francs.

Chief Items of Revenue in 1861 (212,920 *francs*).

	Francs.
Salt monopoly	8,097
Excise on beverages	3,808
Patents and other dues	3,040
Land tax at 2 per thousand	23,429
Extraordinary receipts	8,064

Chief Items of Expenditure.

	Francs.
Cost of general administration	10,335
Justice	1,603
Military expenditure	13,461
Police	7,525
Poor, house of correction, &c.	5,400
Public works	16,219
Extraordinary expenses (including interest on debt)	6,108

The salaries are noteworthy: governing Landamman, 340 francs; Landesseckelmeister (Minister of Finance), 300 francs; Juge d'Instruction, 350 francs, &c. It is right to observe that the persons filling these offices in the primitive Cantons are in general taken from amongst the wealthier inhabitants.

Glarus (12½ *square leagues,* 33,000 *inhabitants*).

This Canton has shown great energy in restoring order in its finances, which were severely tried by the great fire that took place in the chief town of Glarus on the 10th-11th May, 1861. The damage done amounted to 2,640,000 francs, which fell on the Cantonal Insurance Office. Fortunately for Glarus, its confederates came to its assistance, and a loan of 1,000,000 francs was granted out of the Federal Treasury, bearing interest at 2 per cent.

after ten years, and to be repaid between the sixteenth and twentieth year. The public debt of the Canton, which did not exceed 952,205 francs before the fire, was increased to near 3,500,000 francs, the interest upon and gradual repayment of which have been duly provided for.

To meet all these requirements the price of salt (a monopoly) was raised from 10 rappen (centimes) to 12 rappen per lb.; the property tax was increased to 3, and the capitation tax to $1\frac{1}{2}$ per cent. Notwithstanding these heavy charges, and in spite of the depressing effect of the American cotton crisis on a purely manufacturing Canton, the capital of the property tax increased to the amount of 8,500,000 francs in one year (from 54,000,000 to 62,500,000 francs).

Chief Items of Revenue (442,729 *francs*).

	Francs.
Property and capitation tax	200,149
Ohmgeld and distilling patents	14,065
Salt monopoly	42,766
Interest of capital and estates	30,948
Military receipts (for arms, uniforms, &c.)	43,275
Insurance tax $\frac{2}{3}$ per thousand	53,980

Chief Items of Expenditure (400,000 *francs*).

	Francs.
Cost of general administration	33,065
Interest on debt and sinking fund	188,089
Military expenditure	94,155
Education and poor	11,000
Police	15,121
Public works	30,662
Justice (including cost of convicts in prisons of Zurich and St. Gall)	20,826

Zug ($4\frac{1}{3}$ *square leagues*, 19,600 *inhabitants*).

On the 31st of December, 1862, the assets of this Canton amounted to 298,920 francs; its liabilities to 252,878 francs (chiefly produced by a loan of 170,000 francs contracted on account of the Ost West Railway):—

Chief Items of Revenue.

	Francs.
Salt monopoly	82,427
Excise	7,165
Other indirect taxes	17,249
Property tax at $\frac{1}{2}$ per mille	17,565

Chief Items of Expenditure.

	Francs.
Cost of general administration	13,696
Justice and police	3,575
Military expenditure	20,098
Public Works	39,089
Education	13,365

Fribourg (30⅓ *square leagues*, 105,000 *inhabitants*).

The finances of this Canton have been seriously disturbed by the disastrous Sonderbund war and by the construction of the railway uniting Fribourg with Lausanne and Berne.

The property of the Canton amounted, at the end of 1862, to 24,750,000 francs; the debt, on the other hand, to 23,801,268 francs (loan of 1858, 5,000,000 francs, at 4½ per cent.; loan of 1860 and 1861, 16,000,000 francs, at 5 per cent.; further loan of 7,500,000 francs, contracted by the Railway Company, and guaranteed by the Canton):—

Chief Items of Revenue (2,281,229 *francs*).

	Francs.
Forests	110,034
Interest of capital	894,786
Stamps	56,935
Excise on beverages	192,668
Salt monopoly	176,643
Property and income taxes (the first at 2 per mille, the second at 3½ per cent.)	468,899
Legacy duty	60,431
Military capitation tax	20,456
Public-house licences	12,665
Tax on coaches, shooting licences, cartes de séjour, market and marriage licences, &c.	28,077

Chief Items of Expenditure (1,992,209 *francs*).

Cost of general administration	92,958
Public worship	5,840
Public instruction	57,724
Justice	112,604
Police and prisons	195,043
Military expenditure	239,035
Public works	125,773
Interest on public debt of 21,000,000 francs ..	1,004,437
Other finance expenses (collection of revenue, &c.) .	141,950

There was further an extraordinary expenditure to the amount of 141,396 francs (for new roads, bridges, &c.).

The surplus of the year's expenditure amounted to 147,625 francs.

In February 1864 the Canton purchased the railway on its own account; the debt was thereby increased by 3,500,000 francs, and, should the Geneva-Versoix section of the line be also handed over to it, it would be increased by 9,000,000 francs. This railroad would then have cost Fribourg 33,500,000 francs, whilst its receipts have hitherto only sufficed to pay the interest on a capital of 20,000,000 francs.

Soleure (14¼ *square leagues*, 69,000 *inhabitants*).

The State property of this Canton is composed—1st, of certain sums which are never to be touched except in case of war (the value of the forests, Poor Fund, Reserve Fund, Fund of Lunatic Asylum at Rosegg, &c.); these amounted on the 31st December, 1862, to 4,491,972 francs. 2ndly, of the disposable part of the said property, amounting to 2,169,299 francs (shares of Soleure Bank, &c). The liabilities, on the other hand, amounted to 1,471,804 francs; thus leaving a net fortune of 5,189,467 francs.

Chief Items of Revenue (809,908 *francs*).

	Francs.
Produce of State property (woods, interest of capital, &c.)	166,555
Salt monopoly	124,422
Duty on property changing hands (including legacy duty)	79,987
Excise on beverages	182,361
Dog tax	9,431
Duty on licences to trade, &c.	35,417
Chancery and legal dues	111,329

Chief Items of Expenditure (952,492 *francs*).

	Francs.
Cost of general administration	186,569
Public works	263,916
Military expenditure	101,455
Justice and police	68,943
Education	65,012
Judicial authorities	75,465
Interest on debt	55,825

There was a deficit of 142,585 francs. The redemption of the old Zehnten (feudal dues), which was ordained by

law in 1837, was terminated in 1862. The Communes have contributed to this purpose capital to the amount of 2,832,081 francs, and interest, 1,378,837 francs; the State has paid 366,655 francs on account of capital, and 187,997 francs on account of interest. The sums disbursed in this liquidation amount altogether to 4,787,656 francs.

The clergy in this Catholic Canton are paid out of the Church property, which is administered by the various parishes.

Bâle City (41,000 *inhabitants*).

The debt of this city in 1862 amounted to 5,631,911 francs. It owned, on the other hand, invested property to the amount of 2,500,000 francs.

Chief Items of Revenue.

	Francs.
Interest on capital, &c.	112,849
Various dues and fines	36,560
Duty on property changing hands (real property of the value of 9,250,000 francs changed hands in one year)	176,458
Ohmgeld and other excise duties	141,499
Income tax	450,220
Legacy duty (on 2,000,000 francs of property)	37,250
Stamps	59,262
Salt monopoly	55,157

Chief Items of Expenditure.

	Francs.
Cost of general administration	59,109
Justice and police	215,278
Public works	893,228
Military expenditure	79,556
Public worship and schools*	389,823
Interest on debt	173,576

Bâle Campagne ($7\frac{2}{3}$ *square leagues,* 51,500 *inhabitants*).

The debt of Bâle Campagne amounts to 1,120,000 francs. The finances of the Canton are very flourishing. The revenue derived from the State property, monopolies, and indirect taxation and dues, usually suffices for the wants of the Administration, without the imposition of any direct taxes. In the Budget for 1863 the revenue was reckoned at 520,360 francs; the expenditure at 516,092 francs.

* The University, the Gymnasium, and branch schools possess property to the amount of 925,691 francs.

Chief Items of Expenditure.

	Francs.
Cost of general administration	138,880
Public works and buildings	157,875
Justice	38,550
Education	27,699
Police	59,650
Military expenditure	83,478

Schaffhausen (5½ *square leagues*, 35,500 *inhabitants*).

The public accounts of this Canton separate the income and expenditure of the Cantonal Treasury from those of various funds (so-called "Fundirte Aemter"), which are to be applied to certain purposes: for instance—Cantonal Church and School Fund, 2,498,397 francs; College Fund, 88,091 francs; fund called "Spendfond," 270,749 francs. Out of this latter fund all the State expenses for church and schools are defrayed. Besides these funds the Canton owns other so-called Immediate Property ("unmittelbares Staatsgut"), the value of which was 585,884 francs.

Chief Items of Revenue (433,395 *francs*).

	Francs.
Interest on capital	75,025
Forests	84,993
Salt monopoly	41,920
Public-house licences	20,370
Duty on property changing hands and legacy ditto ..	20,965
Property and income tax	96,320

Chief Items of Expenditure (345,537 *francs*).

	Francs.
Cost of general administration (Grand Conseil, Government, &c.)	34,619
Military expenditure	37,995
Police and prisons	40,898
Woods and forests	30,973
Public works..	75,252
Justice	35,125
Interest on debt	24,026

There was a surplus of 87,858 francs on the financial year ending May 31, 1862.

Appenzell Innerrhoden (*nearly* 3 *square leagues*, 12,000 *inhabitants. Catholic*).

There are no regular public accounts, so to speak, in this half Canton. The accounts published are hardly more

than the ledgers of the different officials, such as the "Landesseckelmeister" (Minister of Finance), the "Bauherr" (Superintendent of Buildings), &c. The accounts of the Finance Minister show revenue to the amount of 70,688 francs, and expenditure to the amount of 70,295 francs.

The chief items of revenne are—a direct property tax, at the rate of 3 per mille, producing 48,119 francs; interest on capital, 5,893 francs; proceeds of salt monopoly, 7,175 francs; and of fines, 1,064 francs.

About 20,000 francs are spent on public works: 16,333 francs on account of military expenditure; 4,276 francs on schools; and 3,217 francs on the general administration (including salaries).

Appenzell Ausserrhoden (4¾ *square leagues*, 48,000 *inhabitants*).

The assets of this half Canton are reckoned at 1,085,022 francs; the liabilities at 119,982 francs. There are various separate funds or treasuries, such as the "Landeskasse" (out of which the general expenses of Government are defrayed); the "Landesstrassenkasse," or Road Fund, which spent 103,688 francs in 1862; the "Salzkasse," or Salt Fund (derived from the salt monopoly), which amounted to 43,923 francs. The chief items of revenue of the "Landeskasse" were—

	Francs.
Land tax	160,000
Interest on capital	13,914
Proceeds of fines	13,972

The chief items of expenditure were:—

	Francs.
Cost of general administration	37,337
Public worship and schools	10,373
Military expenditure	52,655
Justice and police	12,582

Most of the public charges fall on the communes.

St. Gall (36⅔ *square leagues*, 180,000 *inhabitants*).

The property of this Canton amounted in 1862 to 13,229,954 francs, the debt to 9,209,978 francs (nearly entirely loans contracted since 1853 for railway works).

Chief Items of Revenue (1,140,855 *francs*).

	Francs.
Interest on capital	30,445
Domains and buildings	14,963
Woods and forests	22,522
Salt monopoly	196,817
Stamps	30,130
Excise on beverages	61,043
Public-house licences*	37,580
Other licences, dues, &c.	37,843
Direct property tax (2 per mille on income)	375,411

Chief Items of Expenditure (1,110,583 *francs*).

	Francs.
Cost of general administration	164,824
Roads, bridges, &c.	242,633
Justice	67,603
Prisons	46,750
Police	77,124
Education	55,158
Military expenditure	360,817

Grisons (130½ *square leagues,* 91,000 *inhabitants*).

The State property of this Canton was reckoned in 1862 at 4,500,000 francs. Its debt (originating in contributions to roads, correction of rivers and railways works) amounting to 4,117,703 francs bearing interest at 4 per cent.

Chief Items of Revenue (697,553 *francs*).

	Francs.
Interest of capital, &c.	103,176
Excise on spirits	72,676
Salt monopoly	121,633

Chief Items of Expediture (931,483 *francs*).

	Francs.
Interest on debt	152,510
Cost of general administration (including salaries)	55,516
Police, justice, &c.	42,337
Roads and public works	328,347
Military expenditure	143,876
Education	81,716

The deficit of 233,930 francs was provided for by the imposition of a general income tax of 1⅓ per mille, which produced 231,756 francs.

* There were 1,371 public-houses in the Canton, or 1 per 132 inhabitants.

Argovie (25½ *square leagues*, 194,000 *inhabitants*).

This Canton inherited considerable wealth at the breaking up of the old Bernese Republic; it likewise secularized the conventual property and possessed (end of 1862) State property to the amount of 20,639,291 francs. Various special funds are included in this sum, such as the Cantonal School Fund of 1,553,325 francs; the poor fund of 679,936 francs; the episcopal fund of 114,286 francs; the fund for the support of the Catholic seminary of 69,545 francs. There are besides other special funds not comprised in the above sum; a fund for payment of pensions to the former inmates of the suppressed convents amounting to 751,479 francs; a road fund amounting to 461,674 francs; a fund for the new Penitentiary at Lenzburg, and the Lunatic Asylum at Königsfelden.

Chief Items of Revenue (1,801,252 *francs*).

	Francs.
Income from State property	900,872
Tenths of produce of salt mines at Rheinfelden (farmed by a company)	42,565
Sale of salt	194,730
Ohmgeld and excise on beverages	158,163
Public-house licences	42,286
Military tax	88,177

Chief Items of Expenditure (1,948,948 *francs*).

	Francs.
Cost of general administration	150,872
Justice and prisons	449,761
Police	147,218
Finances	203,675
Education	273,101
Military expenditure	292,705
Public works	267,478
Public worship	245,289
Cost of administration of justice	151,239

There was therefore, a deficit of 147,696 francs.

Thurgovie (18 *square leagues*, 90,000 *inhabitants*).

This Canton has likewise secularized the conventional property. The "immediate" State property of the Canton amounts to 3,142,326 francs; the assets amount to 9,580,705 francs; the liabilities to 1,320,323 francs.

Principal Items of Revenue (925,223 *francs*).

	Francs.
Interest on capital	332,870
Woods and forests	42,666
Salt monopoly	88,785
Property and income tax	141,848
Duty on beverages	35,400
Legacy duty	30,113
Duty on property changing hands	44,347
Other indirect taxes	69,609
Military tax	36,665

Principal Items of Expenditure (735,859 *francs*).

	Francs.
Cost of general administration	80,593
Police and prisons	68,594
Public works and roads	137,040
Military expenditure	132,172
Interest on debt	32,798

There was a surplus of revenue of 189,264 francs.

Ticino (51 *square leagues*, 116,900 *inhabitants*).

There are no regular accounts of the State property of this Canton; its debt, on the other hand, amounted on December 31, 1862, to 6,119,206 francs, the yearly interest upon which was 265,946 francs.

Principal Items of Revenue (1,180,622 *francs*).

	Francs.
Direct tax (on income, &c.)	179,947
Excise	194,685
Salt monopoly	351,000
Chancery, mortgage, and notarial dues	59,074
Receipts of various administrations	69,985

Principal Items of Expenditure (1,263,296 *francs*).

	Francs.
Cost of general administration	90,028
Cost of salt monopoly	113,931
Administration of justice	118,266
Interest on public debt	284,439
Sinking fund of debt	135,100
Education	116,240
Military expenditure	113,948
Police, &c.	72,644
Public works	107,157

Vaud (58½ *square leagues*, 213,000 *inhabitants*).

In 1862 the assets of this Canton amounted to 16,139,373 francs against liabilities to the extent of 3,286,802 francs.

Principal Items of Revenue (2,969,526 francs).

	Francs.
Land-tax	628,290
Duty on property changing hands	732,823
Woods and forests	174,439
Interest of capital	101,174
Stamps	104,298
Ohmgeld	95,382
Tax on retail sale of spirits	175,519
Public-house licences	40,587
Duty on carriages, saddle-horses, and dogs	45,498
Military tax	36,306
Shooting and fishing licences	31,393

Principal Items of Expenditure (3,167,079 francs).

	Francs.
Cost of general expenditure	255,511
Justice and police	280,395
Public worship and education	657,739
Home Department	144,501
Military expenditure	409,333
Gendarmerie	227,124
Keeping roads, &c., in repair	307,196
New public works	484,888
Interest on loans	106,970
Sinking fund of loan of 1858	44,500

There was a deficit of 69,359 francs.

Valais (95⅓ *square leagues*, 91,000 *inhabitants*).

The finances of this Canton are from flourishing; its liabilities in 1862 exceeded its assets by 510,301 francs, amounting to 2,517,395 francs and 2,007,094 francs respectively.

The current accounts for 1862 further show a deficit of 152,170 francs, the revenue amounting only to 477,085 francs, whilst the expenditure reached the sum of 629,255 francs.

Chief Items of Revenue.

	Francs.
Salt monopoly	146,044
Direct tax on capital and income	45,022
Trade licences tax	36,403
Excise	10,970
Tax on floating and felling timber	31,806

Chief Items of Expenditure.

	Francs.
Cost of general administration	47,656
Home Department	21,716
Education	38,341
Administration of justice and police	53,782
Military expenditure	129,835
Public works	194,736
Finances	46,248
Interest on public debt	96,931

Since then matters have, however, somewhat improved, and the Budget of 1864 puts the proceeds of all the taxes, which in 1862 only amounted to 126,726 francs at the sum of 217,264 francs, thus reducing the deficit to 44,751 francs.

Neuchâtel ($14\frac{2}{3}$ *square leagues*, 87,000 *inhabitants*).

The Budgets of this Canton have shown annual deficits for several years past. In 1862 the revenue amounted to 1,001,891 francs, the expenditure to 1,163,421 francs, thus leaving a deficit of 161,530 francs.

Chief Items of Revenue.

	Francs.
Proceeds of State property	128,737
Monopolies (salt, asphalte, mines, fisheries)	113,775
Property and income-tax	362,926
Military tax	56,429

Chief Items of Expenditure.

	Francs.
Interest on, and sinking fund of, debt	178,529
Cost of general administration	311,882
Justice	102,660
Police	93,106
Public works	189,619
Military expenditure	153,906
Home Department	24,779
Education	156,034
Public worship	118,204

Geneva ($5\frac{1}{4}$ *square leagues*, 83,000 *inhabitants*).

The public debt of this Canton was said to amount in 1862 to 14,191,546 francs.

Chief Items of Revenue (2,615,945 francs).

	Francs.
Registration dues, stamps, legacy duty, duty on property changing hands	656,548
Salt monopoly	150,568
Property tax (so-called "Taxe des Gardes")	266,077
Ground tax	33,483
Tax on buildings	215,362
Capitation tax	30,386
Sumptuary tax (on servants, horses, carriages, and billiards)	56,372
Dividends of Geneva Bank	85,500
School moneys	46,795
Payments on account of sale of ground of old fortifications	483,017
Receipts of the lunatic asylum	59,386

Chief Items of Expenditure (2,606,532 francs).

	Francs.
Cost of general administration	141,930
Pensions	50,646
Interest on, and sinking fund of, debt	703,893
Administration of justice	111,858
Public worship	114,136
Education	346,875
Military expenditure	163,010
Hospitals, &c.	179,292
Finances (collection of revenue)	160,981
Prisons and penitentiaries	100,702
Public works	165,205

To this ordinary expenditure must be added an extraordinary budget, the receipts of which amounted to 374,572 francs, and the expenditure to 447,668 francs. The deficit, therefore, in reality only amounted to 63,683 francs, but it was admitted by the Finance Department in the discussion in the "Grand Conseil" on the budget, that the normal expenditure amounted to 2,781,000 francs, whilst the normal receipts only reached the figure of 2,296,000 francs, and that in order to restore the equilibrum of the Cantonal finances an annual sum of 500,000 francs must be provided for by a revision of the present system of taxation. The Committee of the "Grand Conseil" went even further, and stated their belief that an annual sum of 700,000 francs would be required for that purpose.

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* Thus named from its having been introduced to defray the cost of a Federal garrison which occupied the city during the wars of the Reformation.

Having gone through the finances of each Canton separately, I will conclude this Report by giving a statement of the joint expenses of both the Cantonal and Federal Governments, followed by Tables showing the cost of education, public worship, public works, military contingents, &c., in each Canton, and the proportion paid by each individual towards these expenses. These Tables have been prepared with great care by the Federal Statistical Department, and the public expenditure of Switzerland is thus shown for the first time in a complete form. I should add that all the figures in these Tables show the net expenditure. The cost of collection of the direct and indirect taxes, for instance, has been subtracted; in the military expenditure the receipts for military accoutrements sold has been deducted, and so on with each item of expenditure.

The general expenditure, both Federal and Cantonal, in the year 1864 reached the sum of 36,171,644 francs, being 14 francs 40 centimes per head of the entire population of Switzerland. In 1847, the total public expenditure, was reckoned at from 16,000,000 to 21,000,000 francs. If the higher figure be taken, the increase in seventeen years would be about 15,000,000 francs, or 71 per cent.

Of this sum of 36,000,000, much the largest proportion, or 23 per cent., was expended on public works, especially roads and regulation of rivers. The next largest amounts were absorbed by military defences and education, 18 per cent. and 14 per cent. respectively.

(Table 1.)—JOINT Federal and Cantonal Expenditure, 1864.

Items.	Amount.	Proportion per Head of the Population.	Per-centage in total State Expenditure.
	Francs.	Per Cent.	
1. Interest and repayment of Public Debts	3,003,909	1·20	8·30
2. Legislature, Central and District Administration	2,769,672	1·10	7·66
3. Military Expenditure	6,572,308	2·61	18·17
4. Justice	1,831,979	0·73	5·6
5. Prisons	789,108	0·31	2·18
6. Police	1,973,818	0·78	5·46
7. Public Health	173,997	0·7	0·48
8. Agriculture, Forests, &c.	473,929	0·19	1·31
9. Finances	705,070	0·28	1·95
10. Public Works	8,347,526	3·32	23·8
11. Education	4,938,947	1·96	13·65
12. Public Worship	2,479,923	0·98	6·86
13. Public Charity (poor and hospitals) .	1,736,626	0·68	4·80
14. Miscellaneous	347,832	0·15	1·4
Total	36,171,644	14·40	100

According to "Pfeiffer's Vergleichende Zusammenstellung der Europäischen Staatsausgaben," published at Leipzig in 1865, the proportion paid in different States of Europe by each individual towards the public expenditure was as follows:—

In the United Kingdom, 55 francs 90 centimes per head; in France, 51 francs 70 centimes; in Italy, 33 francs; in Austria, 25 francs 90 centimes; in Baden, 22 francs 50 centimes; in Hesse Cassel, 21 francs 10 centimes; in Nassau, 21 francs; in Bavaria, 20 francs 60 centimes; in Saxony, 20 francs 20 centimes; in Hanover, 19 francs 90 centimes; in Prussia, 19 francs 50 centimes; in Wurtemberg, 18 francs; in Hesse Darmstadt, 16 francs 90 centimes.

According to these figures, government in Switzerland would seem to be cheap indeed; it should, however, be borne in mind that the communes in reality bear a large proportion of the public expenditure in the shape of contributions for the relief of the poor, for the construction and keep of roads, for public instruction, &c. In the Canton of Zürich the entire revenue of the communes in 1864 amounted to 4,619,498 francs, and the expenditure to 4,260,452 francs. The charge per head of the population amounted to 16 francs. In the Canton of Bâle City the

share borne by each individual in the communal expenses reached the sum of 24 francs 95 centimes, whilst in the Canton of Bâle Campagne the same share only amounted to 9 francs 34 centimes.

It must also be remembered that the public expenditure of other countries includes considerable sums devoted to scientific, literary or artistic purposes utterly neglected in Switzerland, so that if the garb in which Swiss expenditure appears to us be much to be commended for its simplicity, it has little to boast of in the way of richness of material or elegance of design.

(Table 2.)—PROPORTION of Total Expenditure of each Canton to the Population.

Cantons.	Total Expenditure in 1864.	Population (Census of Dec. 10, 1860).	Per Head.
	Francs.		Fr. c.
1. Bâle, City	1,608,213	40,683	39 53
2. Geneva	2,666,255	82,876	32 17
3. Fribourg	2,155,406	105,523	20 42
4. Schaffhausen	568,331	35,500	16 1
5. Zurich	4,129,970	266,265	15 51
6. Appenzell, Inner Rhoden	176,026	12,000	14 67
7. Vaud	2,997,128	213,157	14 6
8. Neuchâtel	1,048,589	87,369	12 0
9. Uri	173,418	14,741	11 76
10. Glarus	383,963	33,363	11 51
11. Soleure	792,146	69,263	11 44
12. Bâle, Campagne	575,843	51,582	11 16
13. Argovie	2,162,069	194,208	11 13
14. Berne	5,173,431	467,141	10 86
15. Tessin	1,257,974	116,343	10 81
16. Grisons	850,192	90,713	9 37
17. Thurgovie	745,496	90,080	8 28
18. Obwalden	102,744	13,376	7 68
19. Schwytz	338,756	45,039	7 52
20. St. Gall	1,234,320	180,411	6 84
21. Lucerne	877,595	130,504	6 73
22. Valais	576,193	90,792	6 35
23. Zug	111,707	19,608	5 70
24. Nidwalden	61,647	11,526	5 35
25. Appenzell, Ausser Rhoden	203,736	48,431	4 21
	30,971,148	2,510,494	12 34

(Table 3.)—Sums spent on Interest and Repayment of Public Debts.

Cantons.	Sums.	Per Head of Population.
	Francs.	Fr. c.
1. Geneva	849,177	10 24
2. Fribourg	972,344	9 21
3. Glarus	154,987	4 64
4. Uri	59,700	4 5
5. Tessin	406,977	3 49
6. Bâle, Ville	95,294	2 34
7. Neuchâtel	142,566	1 63
8. Valais	94,067	1 3
9. Grisons	67,633	0 75
10. Schwytz	31,104	0 69
11. Vaud	117,601	0 55
12. Zug	10,328	0 53
13. Nidwalden	2,131	0 18
	3,003,909	1 20

The sum of 3,000,000 francs, or 8 per cent. of the State expenditure, constitutes, therefore, the annual charge borne by Switzerland on account of loans contracted for works of unquestionable public utility, such as railways, roads, &c. It is curious to note the annual charges for the same purpose borne by the population in the following German States, railway debts not being included in them :—

		Per Head of Population.
		Fr. c.
Saxony	19 per cent.	3 49
Bavaria	17·6 „	3 64
Hesse-Darmstadt	16·5 „	2 81
Hesse-Cassel	11·4 „	2 47
Hanover	11·1 „	2 21
Baden	8 „	1 83
Wurtemberg	7·6 „	1 35

(Table 4.)—Cost of Legislatures, Central and District Authorities.

Cantons.		Per Head of Population.
	Francs.	Fr. c.
1. Geneva - -	181,140	2 19
2. Soleure - -	130,460	1 88
3. Bâle, Ville - -	66,494	1 63
4. Schaffhausen - -	52,101	1 47
5. Neuchâtel - -	113,896	1 30
6. Vaud - -	267,419	1 25
7. Tessin - -	123,134	1 6
8. Bâle, Campagne -	53,760	1 4
9. Nidwalden - -	11,893	1 3
10. Uri - - -	14,821	1 1
11. Thurgovie - -	87,484	0 97
12. Fribourg - -	99,088	0 94
13. Lucerne - -	120,514	0 92
14. Argovie - -	169,884	0 87
15. Glarus - -	27,785	0 83
16. Zug - - -	15,171	0 77
17. Schwytz - -	32,637	0 72
18. Obwalden - -	9,540	0 71
19. St. Gall - -	125,686	0 70
20. Berne - -	311,441	0 67
21. Appenzell, Inner Rhoden -	7,987	0 66
22. Zurich - -	163,788	0 61
23. Appenzell, Ausser Rhoden -	25,560	0 52
24. Valais - -	46,192	0 51
25. Grisons - -	41,138	0 45
	2,299,013	0 92

(Table 5.)—Cantonal Military Expenditure.

Cantons.		Per Head of Population.
	Francs.	Fr. c.
1. Vaud - - -	507,241	2 38
2. Geneva - - -	168,178	2 03
3. Bâle, Ville - -	79,442	1 95
4. Nidwalden - -	22,054	1 91
5. Grisons - - -	170,345	1 88
6. Schaffhausen - -	62,485	1 76
7. Zurich - - -	467,295	1 75
8. Soleure - - -	118,276	1 71
9. Neuchâtel - -	148,061	1 69
10. Berne - - -	772,068	1 65
11. St. Gall - -	295,995	1 64
12. Obwalden - -	21,470	1 60
13. Lucerne - - -	202,833	1 55
14. Valais - - -	137,931	1 52
15. Appenzell, Inner Rhoden -	18,010	1 50
16. Bâle, Campagne - -	74,673	1 45
17. Glarus - - -	46,536	1 39
18. Uri - - -	20,283	1 38
19. Fribourg - - -	136,564	1 29
20. Thurgovie - -	115,337	1 28
21. Tessin - - -	144,130	1 24
22. Argovie - - -	235,201	1 21
23. Zug - - -	21,817	1 11
24. Schwytz - - -	30,428	0 67
25. Appenzell, Ausser Rhoden -	32,518	0 67
	4,049,241	1 61

The Federal military expenditure in 1864 amounted to 2,523,067 francs, which, added to the Cantonal military expenditure of 4,049,241 francs, gives a total of 6,572,308 francs, or 2 francs 62 centimes per head of the Swiss population. As has been before observed the sums disbursed for military purposes in Switzerland have greatly increased of late, and now constitute upwards of one-sixth or 18 per cent. of the entire State expenditnre. The proportion in other countries appears to be as follows:

In Prussia, 41·2 per cent.; in Austria, 30·4 per cent.; in the United Kingdom, 28·7 per cent.; in Bavaria, 28·3 per cent.; in Hanover, 27·9 per cent.; in Wurtemberg, 27·7 per cent.; in Italy, 27·5 per cent.; in Saxony, 23 per cent.; in Baden, 22·4 per cent.

(Table 6.)—Cantonal Expenditure on Public Works.

Cantons.		Per Head of Population.	
	Francs.	Fr.	c.
1. Bâle, Ville	664,366	16	43
2. Appenzell, Inner Rhoden	68,411	5	70
3. Zurich	1,349,414	5	07
4. Schwytz	196,742	4	37
5. Grisons	332,222	3	66
6. Vaud	716,411	3	36
7. Schaffhausen	114,501	3	23
8. Geneva	250,010	3	02
9. Argovie	585,308	3	01
10. Obwalden	39,100	2	92
11. Fribourg	259,124	2	45
12. St. Gall	390,500	2	16
13. Uri	30,126	2	04
14. Soleure	138,975	2	01
15. Bâle, Campagne	102,357	1	98
16. Appenzell, Ausser Rhoden	88,484	1	83
17. Valais	159,663	1	76
18. Thurgovie	154,054	1	71
19. Neuchâtel	147,461	1	69
20. Tessin	193,039	1	66
21. Zug	32,524	1	66
22. Berne	687,447	1	47
23. Glarus	36,659	1	09
24. Nidwalden	7,572	0	66
25. Lucerne	67,629	0	52
Total	6,812,099	2	71
Federal Expenditure	1,535,427	0	61
Federal and Cantonal Expenditure	8,347,526	3	32

(Table 7.)—CANTONAL EXPENDITURE on Public Education.

Cantons.		Per Head of Population.
	Francs.	Fr. c.
1. Bâle, Ville	320,458	7 88
2. Geneva	297,340	3 58
3. Schaffhausen	120,235	3 39
4. Zürich	768,865	2 89
5. Soleure	148,969	2 15
6. Berne	955,917	2 4
7. Bâle, Campagne	103,431	2 0
8. Neuchâtel	162,952	1 87
9. Fribourg	188,021	1 78
10. Argovie	342,033	1 76
11. Lucerne	210,048	1 61
12. Vaud	308,910	1 45
13. Thurgovie	105,953	1 18
14. Grisons	90,929	1 0
15. Tessin	116,415	1 0
16. Obwalden	9,334	0 70
17. Zug	13,569	0 70
18. St. Gall	104,823	0 58
19. Valais	36,196	0 40
20. Glarus	12,904	0 39
21. Appenzell, Ausser Rhoden .	18,518	0 38
22. Uri	4,748	0 32
23. Appenzell, Inner Rhoden ..	2,936	0 24
24. Schwytz	10,472	0 23
25. Nidwalden*	..	..
Total	4,453,976	1 77
Federal expenditure	484,971	..
Federal and Cantonal expenditure	4,938,947	..

* The cost of public education in Nidwalden is entirely defrayed by the Communes.

(Table 8.)—Cantonal Expenditure on Public Worship.

Cantons.		Per Head of Population.
	Francs.	Fr. c.
1. Appenzell, Inner Rhoden ..	25,349	2 11
2. Bâle, Ville	82,664	2 3
3. Vaud	421,570	1 98
4. Zurich	479,849	1 80
5. Schaffhausen	62,856	1 77
6. Berne	714,373	1 52
7. Geneva	123,552	1 49
8. Argovie	264,580	1 36
9. Bâle, Campagne	67,078	1 30
10. Neuchâtel	108,806	1 25
11. Tessin	41,959	0 36
12. Nidwalden	3,244	0 28
13. Obwalden	3,180	0 24
14. Thurgovie	20,368	0 23
15. Lucerne	21,283	0 16
16. Soleure	6,917	0 10
17. St. Gall	18,050	0 10
18. Zug	1,741	0 9
19. Schwytz	3,371	0 8
20. Fribourg	5,591	0 5
21. Glarus	1,250	0 4
22. Appenzell, Ausser Rhoden .	731	0 2
23. Valais	1,516	0 2
24. Uri	45	..
25. Grisons	..	..
Total	2,479,923	0 98

(Table 9.)—CANTONAL EXPENDITURE on Public Charity. (Hospitals and Lunatic Asylums included.)

Cantons.		Per Head of Population.
	Francs.	Fr. c.
1. Appenzell, Inner Rhoden ..	42,995	3 58
2. Geneva	151,987	1 83
3. Berne	747,065	1 60
4. Bâle, Campagne.. ..	76,400	1 48
5. Uri	21,574	1 46
6. Zurich	344,252	1 29
7. Thurgovie	64,912	0 72
8. Argovie	99,707	0 51
9. Vaud	102,452	0 48
10. Soleure	25,230	0 36
11. Obwalden	4,700	0 35
12. Schaffhausen	7,538	0 21
13. Glarus	6,052	0 18
14. Grisons	9,770	0 17
15. Nidwalden	1,355	0 12
16. St. Gall	8,886	0 5
17. Schwytz	2,077	0 4
18. Neuchâtel	2,374	0 3
19. Lucerne	2,800	0 2
20. Fribourg	2,000	0 2
21. Tessin	2,500	0 2
22. Zug	..	..
23. Bâle, Ville	..	..
24. Valais	..	..
25. Appenzell, Ausser Rhoden .	..	..
Total	1,726,626	0 68
Federal expenditure	10,000	..
Federal and Cantonal expenditure	1,736,626	..

With regard to the three last Tables showing the Cantonal expenditure on education, public worship, and public charity, I should mention that the Communes in most of the Cantons bear far the larger share under these heads. The following data concerning Zurich, Argovie, and St. Gall will show the proportions borne by the State and the Communes in those Cantons :—

EDUCATION.

	The State.	The Communes.
	Francs.	Francs.
1. Zurich	768,865	1,018,766
2. Argovie	342,033	623,142
3. St. Gall	104,823	571,981
PUBLIC WORSHIP.		
1. Zurich	479,849	303,067
2. Argovie	264,580	213,772
3. St. Gall	18,050	666,083
FOR THE POOR AND CHARITABLE INSTITUTIONS.		
1. Zurich	344,252	829,556
2. Argovie	99,707	723,656
3. St. Gall	8,886	921,216

In bringing this Report to a close, I should further observe that the figures contained in that portion giving an account of the finances of each Canton separately are taken from the State accounts for the year 1862, which at the time were alone accessible to me, whilst the figures in the concluding Tables refer to the year 1864.

(Signed) HORACE RUMBOLD.

Berne, May 28, 1866.

Mexico.

Report by Mr. Middleton, Her Majesty's Secretary of Legation, on the Mines and Mineral Districts of Mexico.

Mexico, July 10, 1866.

It may not be irrelevant to the subject of the mines of Mexico to commence a Report thereon, with the subjoined list of the minerals which are to be found within the confines of the Empire, compiled by the very eminent geologist and mining engineer Don Antonio del Castillo, and which is highly illustrative of the degree of importance to be attached to the mining results already attained in a country so singularly rich in almost every species of ore, besides silver, in which it may be said to stand pre-eminent; the list in question, which has been carefully arranged according to "Dana's System of Mineralogy" also, as it were, furnishing a guide to those who might wish to devote their energies to a pursuit which, although necessarily of a somewhat visionary character, may, at all events, be rendered less so by a previous knowledge of the mineral formations contained within the soil upon which subsequent labours are to be expended.

List of Minerals found within the Mexican Empire.

[The minerals marked thus (*) are those which were first discovered in Mexico; and some of which have not yet been discovered elsewhere.]

1. Native gold, crystallized, and in various different forms.
2. Idem, in lodes of silver quartz.
3. Idem, in the calcareous spar of silver lodes.
4. Idem, with garnets contained in the ores nearest the surface.
5. Idem, in quartz lodes, but backed with rock impregnated with sulphate of silver.
6. Electrum gold, or gold mingled with silver.
7. Rodium gold.*
8. Platina.
9. Quicksilver, native mercury.
10. Amalgam.
11. Native silver, crystallized, and in various different forms.

12. Native copper, crystallized, and in various different forms.
13. Native lead.
14. Native iron.
15. Meteoric iron, which undergoes decomposition upon exposure to the air.
16. Meteoric iron, which does not undergo decomposition upon exposure to the air.
17. Iridosmine, or native iridium.
18. Antimony, or native antimony.
19. Native sulphur, contained in volcanic craters, beds of gypsum, and metallic veins.
20. Bituminous coal.
21. Brown, or lignite coal.
22. Graphite.
23. Realgar, or red sulphuret of arsenic.
24. Orpiment, or yellow sulphuret of arsenic.
25. Stibnite, or sulphuret of antimony.
26. Condurite, weisskussfererz, or domeykite.
27. Silver glance, or sulphuret of silver.
28. Variegated copper, or purple copper.
29. Galena, or sulphuret of lead.
30. Galena, with selenium.
31. Sulphuret of manganese.
32. Seleniuret of lead (clausthalite).
33. Seleniuret of copper.
34. Sulphuret of zinc or blende; yellow, brown, red, and black blende.
35. Zochitlanite, or blende with cadmium.*
36. Copper glance, or sulphuret of copper.
37. Sulphuret of copper with selenium.*
38. Sulphuret of silver and copper, or stromegerite.
39. Cinnabar, or sulphuret of mercury.
40. Magnetic pyrites (pyrhotine).
41. Selenid of mercury.*
42. Sulfo-selenid of mercury and zinc.*
43. Schreibersite (meteoric iron).
44. Cubic pyrites (mundic).
45. Smaltine or biarseniet of cobalt.
46. Marcasite (white bisulphuret of iron).
47. Leucopyrite (arsenosiderite).
48. Mispikel (arsenical iron pyrites).
49. Nickeliferous mispickel.
50. Molybdenite, or sulphuret of molybdena.
51. Chalcopyrite, or yellow copper pyrites.
52. Copper pyrites, with selenium or seleniferous copper pyrites.*
53. Miargyrite.
54. Zamisonite.
55. Brongnardite.
56. Pyrargyrite, or dark red silver ore.
57. Proustite, or light red silver ore.
58. Freislebenite (antimonial sulphuret of silver).
59. Bournonite.
60. Boulangerite, or sulphuret of antimony and lead.
61. Jalpite.*
62. Tetrahedrite, or grey copper fahlerz, schwarz, weissgiltigerz, silberfahlerz.

63. Sulfo-arsenide of copper, lead, and manganese.*
64. Polybasite.
65. Stephanite, or brittle silver ore (brittle sulphuret of silver).
66. Enargite.
67. Chloride of nickel, found in meteoric iron.*
68. Calomel of horn quicksilver.
69. Chloro selenid of mercury.*
70. Common salt (rock salt).
71. Kerargyrite, or horn silver.
72. Embolite (chlorobromid of silver.
73. Bromyrite, or bromic silver.*
74. Fluor, fluorid of calcium, fluate of lime.
75. Yodyrite or yodic silver.*
76. Coccinite or yodic mercury.*
77. Yodic selenid of mercury.*
78. Red copper.
79. Ziegelerz ("cobre atabacardo").
80. Martite, not magnetic.
81. Pleonaste (ceylanite).
82. Magnetite, or magnetic iron ore.
83. Franklinite.
84. Melaconite, or black oxide of copper.
85. Plumbic ochre.*
86. Ruby.
87. Hematite, or specular iron, and red iron ore.
88. Braunite.
89. Tin ore, or oxyd of tin, and stream tin.
90. Rutile.
91. Chalcotrichite, or capillary red oxyd of copper.
92. Pyrolusite, or grey oxyd of manganese.
93. Minium.
94. Göthite.
95. Manganite, or grey oxyd of manganese.
96. Limonite, or brown iron ore.
97. Psilomelane, compact and fibrous (manganese ore).
98. Wad, earthy manganese or bog manganese.
99. Asbolan, or earthy cobalt.
100. Cervantite (antimonoxyd).
101. Quartz, rock crystal, amethyst, rose quartz, smoky quartz, milky quartz, chalcedony, chrysoprase, fibrous quartz, blue chalcedony, cornelian, agate, cat's eye, flint, hornstone, plasma, jasper, bloodstone or heliotrope, lydian stone.
102. Opal, precious opal, precious fine opal,* fine opal, common opal, semi-opal, hydrophane, cacholong, hyolite, menilite, opal jasper, siliceous sinter, wood opal, randanite ("tizate").
103. Pyroxene (augite).
104. Rhodonite (bustamite).
105. Hornblende, common hornblende or amphibole, tremolite, actinolite, asbestos, mountain leader, rock cork, amianthus, pargasite, uralite, and smaragdite.

(Many of the small beads and other ornaments worn by the ancient Mexican Indians were composed of this last-named variety of hornblende, mixed with albite, probably on account of its pretty green colour.)

106. Beryle and precious emerald.
107. Chrysalite, olivine, and hyarlosiderite.
108. Tephroite.

109. Phenacite or phenakite.

110. Garnet, grossularite, almandine or precious garnet, common garnet, allochroite, spessartine, white garnet,* peach-blossom garnet,* melanite, pyrope.

111. Idocrase, Vesuvian.

112. Scapolite or Wernerite.

113. Epidote or pistacite.

114. Uralorthite (allanite).

115. Yolite or dichroite.

116. Muscovite, or common mica.

117. Phlogopite, or rhombic mica.

118. Biatina, or hexagonal mica.

119. Labradorite, Labrador feldspar.

120. Albite, or tetartine.

121. Orthoclase, or potash feldspar.

122. Chowaline, or Valencianite adularia.

123. Rhyacolite, or vitreous feldspar.

124. Petrosilix, obsidian, pitchstone, pearlstone, spherulite (esparalita, or equinolita del Rio), pumice, pélé's hair, argilaceous stone, agalmatholite, lithomarge, argilaceous lithomarge, bole soapstone, fuller's earth, kaolin, plastic clays, halloysite.

125. White or silver obsidian, green, blue, and black obsidian, velvet or silky obsidian, obsidiana de Viso.*

(The ancient Mexican Indians manufactured vases, drinking vessels, and various small articles of obsidian, under the name of "itzli" or "chinapo.")

126. Saussurite, a rocky substance used by the ancient Mexican Indians in the manufacture of beads, idols, and various ornaments.

127. Andalusite, in slate.

128. Topaz, white and yellow.

129. Sphene.

130. Tourmaline schore.

131. Talc, crystallized and earthy stealite.

132. Serpentine.

(This substance is only now known to exist in the mountains of Upper California; but it is supposed that it might have existed in ancient times in Mexico, many old Indian vases and other antiquities made of it having been discovered.)

133. Chlorite, and earthy chlorite.

134. Apophyllite, rose, red, and white.

135. Apophyllite albin.

136. Laumonite.

137. Chrysocolea (kieselkupfer).

138. Hydrous silicate of zinc.

139. Prelinite.

140. Analcime.

141. Chabasite, phacolite.

142. Gismondine.

143. Faujasite.

144. Harmotone.

145. Phillipsite.

146. Natrolite.

147. Heulandite.

148. Stilbite (crystallized and earthy).

149. Allophane.

150. Collyrite.

151. Wulfenite (molybdate of lead).
152. Wolfram (tungstate of lead).
153. Vanadite* (vanadite of lead).
154. Barytes, or heavy spar.
155. Celestine, or sulphate of strontian.
156. Anhydrite, or anhydrous sulphate of lime.
157. Anglesite, or sulphate of lead.
158. Gypsum, or sulphate of lime.
159. Cyanosite, or sulphate of copper.
160. Alunogen (feather alum).
161. Native alum.
162. Iron alum (halotrichite).
163. Epsomite, or sulphate of magnesia.
164. Goslarite, or sulphate of zinc.
165. Copperas, or sulphate of iron.
166. Glauber salt, or sulphate of soda.
167. Alumite.
168. Websterite, or subsulphate of alumina.
169. Linarite (cupreous sulphate of lead).
170. Brochantite.
171. Pyromorphite, or phosphate of lead.
172. Mimetene, or green lead ore, and traubenblei.
173. Lazulite, blue spar scattered about in decomposed granite.
174. Triplite, ferruginous phosphate of manganese.
175. Scorodite, or arseniate of iron.
176. Pharmacosiderite.
177. Aphanesite.
178. Liroconite, or octahedral arseniate of copper.
179. Pitticite, iron sinter.
180. Nitre, nitrate of potash.
181. Calcite, calcareous spar, anthraconite, fibrous carbonate of lime, argentine or aphrite chalk, marl and marbles of various descriptions.
182. Dolomite, magnesian limestone, pearl spar, brown spar.
183. Braunite, magnesitspath.
184. Chalybeate or spathic iron.
185. Diallogite or carbonate of manganese.
186. Smithsanite or carbonite of zinc, and cupreous carbonate of zinc.
187. Arragonite (flos ferri).
188. Cerusite, or white lead ore.
189. Trona (sesquicarbonate of soda).
190. Natron (carbonate of soda mixed with other salts, termed "taquisquite" in Mexico).
191. Malachite, or green carbonate of copper.
192. Azurite, or blue carbonate of copper.
193. Zinc, bloom.
194. Amber, or succinum.
195. Copaline, or fossil copal.
196. Bitumen, naphtha, asphaltum ("chapapote"), earthy and ashy mineral pitch, petroleum (a dark coloured fluid variety), maltha or mineral tar.
197. Brewstoline, found in small cavities of rock crystal or quartz, or in those of arragonite or calcareous spar.

The three Mexican States the most prolific in silver ore, and in which the mines have produced the greatest

results, are those of the State of Mexico, Guanaxuato, and Zacatecas; whilst those of Guadalajara, San Luis Potosi, Oajaca, Valladolid, and Sonora, although somewhat less abundant in silver, are still of the highest importance in a mineral point of view.

The principal mines nearest the capital are those of Pachuca and Real del Monte, situated about sixty miles from it, due north, the last named district being situated at an elevation of 9,300 feet above the level of the sea. Farther nothwards, and a little to the eastward, are the mines and city of Guanaxuato, situated about 240 miles from the capital, and at an elevation of 6,000 feet above the level of the sea, and still farther northwards, about 190 miles from Guanaxuato, are the mines and city of Zacatecas, the singularly productive mines of Fresnillo being situated about 35 miles from the latter place.

The numerous silver veins of Real del Monte and Zacatecas cross each other in various different places, but mostly at the same angle. Thus the principal veins at Real del Monte run nearly east and west, whilst the cross veins run north and south; the "dip," in mining phraseology, or inclination of the former, being to the south, and of the latter to the west. Such is not the case, however, in the neighbouring mines of Pachuca, where the veins cross each other at an acute angle.

At Zacatecas and Fresnillo innumerable veins intersect the surface of the soil, most of them producing silver in more or less abundance. Both at these places, as at Real del Monte, however, one leading vein, larger and more productive than the others, is perceptible; that at Zacatecas being known by the name of the "veta grande," and that of Real del Monte by that of the "biscaina."

In the district of Guanaxuato the veins do not exist in the same large number as at Zacatecas and Real del Monte, the ore being principally concentrated in one single vein of gigantic dimensions called the "veta madre," which traverses the country for upwards of eight miles, and is the largest yet discovered in the Mexican Empire, attaining, it is said, in some places a width of 150 feet, and all the principal Guanaxuato mines having formerly been situated upon it. For some years past, however, the mines of La Luz and Asuncion, opened upon veins distinct from it, have proved very productive. It must be borne in mind also that this immense vein, like all mineral

veins indeed, is not composed of silver ore throughout its whole extent; but that the ore occurs in branches or "bunches," leaving intermediate spaces of dead or unproductive soil.

The silver veins of Mexico are found in primitive and transition rocks, thus the "veta madre" of Guanaxuato passes through clay slate, containing beds of syenite and porphyry, being "dislocated" or thrown out of its course by the conglomerate hill of Sirena, but is again to be met with on the other side.

The silver veins of Zacatecas and Fresnillo occur in greenstone and clay slate, and are most productive in the former of these rocks; whilst all those of Real del Monte and Pachuca pass through porphyry of different tints, but chiefly grey and green.

The formerly rich mine of El Doctor, about 150 miles north from the city of Mexico, and near the town of Zimapan, occurred in alpine lime stone, of which the district is mostly composed.

Those of the northern mineral districts of the Mexican Empire comprised within the Peninsula of Lower California were visited a few years since, in the course of his extensive geological researches, by Don Antonio del Castillo, the distinguished mining engineer before alluded to, and to him I am indebted for some information derived from his investigations as well upon the mainland of the remote and little visited territory referred to, as in the adjacent Islands of Espiritu Santo and San José.

The mineral districts referred to are contained within the southern part of the peninsula, occupying a territory of from forty to fifty leagues in length, by from ten to fifteen in width, between the Gulf of Cortés and the Pacific Ocean; the gold and silver ore being contained in gneiss, micaceous slate, or purely granite rock, it being a peculiarity of the latter that it usually contains veins of different species of metals at the same time; those of the granite deposits of the Island of San José, for instance, consisting of both silver and copper, in nearly equal proportions, while those of the Valle Perdido are most abundant in iron and lead.

Were advantage taken of the numerous torrents and streams which take their source in the rocky sierra which bounds the districts in question, running from north to south, its agricultural resources might easily be so much increased as to render its scanty population independent,

except in seasons of unusual drought, of the supplies which it is now forced to draw from the coasts of Sonora or Sinaloa, or from Upper California.

The principal veins of gold and silver, as well as of electrum, to be found within the mining districts of San Antonio and Triunfo, situated to the south of La Paz, the capital of Lower California, are five in number, and upon these are situated the most important mines. In the intermediate territory, however, almost innumerable smaller veins of the same character and composition as the larger ones are to be met with, as in the greater part of the Mexican mining districts also, the mineral substances composing the veins undergo a process of decomposition or alteration in their chemical formation, within a zone of from 10 to 15 yards in depth, towards the surface of the different veins; and which is caused by loss of sulphur in those of a sulphureous character, or from the transformation of metals into chlorides or other chemical substances, such as carbonates, phosphates, or hydroxides. The value of the ores extracted in these districts varies greatly; the average amount being from 1 to 4 ounces of metal per quintal, the greater proportion of the silver ores containing a small proportion of gold.

Following a direction from south-west to north-east, the parallel course of the veins in question runs in the following order:—

1. Vein of Mina Rica, upon which is situated the mine of the same name.

2. Vein of San José, upon which are situated the mines of La Gobernadora, San Joaquin, La Mexicana, El Picacho, Parralito, San Antonio, Las Animas, El Capricho, Nazareno, San José, Santa Cruz, and Las Churreas.

3. Vein of Santa Gertrudis and El Nacimiento, upon which are situated the mines of La Espinoseña, Santa Gertrudis and El Nacimiento.

4. Vein of San Pedro, upon which are situated the mines of Molineña, Mendoseña, Maria, Marroneña, Sancheña, San Alberto, Mexicana, Soledad, Codicia, Gledo, El Carmen, La Fortuna, San Pedro, Todos Santos, San José Estrada, Rosario, and La Escondida.

5. Vein of Guasabe, upon which is situated the mine of the same name, and also those of Los Crestones, Palo de Arco, and Torate.

To these five principal veins may be added that of

Valenciana, which unites itself to that of San Pedro, in the hilly region of La Canoa; and contains the mine, also, called Valenciana (supposed to be that formerly known as Nuestra Señora del Triunfo), and many others little worked or exhausted.

The principal metallic veins in the district of Las Virgenes are that of Chivato, that of Jesus Maria, and that of San Rafael and Bebelama, running from east to west; and those of the district of Cacachilas follow mostly the same direction, and consist of the following, upon which are situated mines bearing similar names to the veins themselves:—La Peruana, El Rosario, La Trinidad, Santa Lucia, El Tesoro, El Tesorito, Las Animas, San Cayetano, La Casualidad y Santa Teresa, El Anima Sola, and San Gregorio.

The whole of these veins consist of rich metal, but are mostly narrow in width, averaging from a half to a quarter of a yard. Some extend to no great depth, but the principal ones are known to reach a depth of from 80 to 90 yards, being the extent reached by the mines formerly worked upon them, but now abandoned, either from water coming in or from a bad method of working; also the small extent of the territory as yet explored, and that but superficially, by a few poor miners, creates the belief that many more veins than those already discovered remain to be discovered; those in this district and that of Las Virgenes containing ores of a richer quality than those of San Antonio and El Triunfo, containing gold as well as silver.

The Island of San José, situated opposite to the east coast of the Peninsula, and at about 20 leagues to the north of the port of La Paz, contains fuel, but little water; it is worthy of remark, however, that upon that part of the mainland to which it is in nearest proximity are the highlands of Mechudo, with a considerable fall of water, and localities in every way adapted for the establishment of reduction works.

Upon the crests of the granite sierra which intersects the island runs a metallic vein, from north to south, with an inclination towards the east, and which is from 4 to 6 yards in width, by less than 10 yards in depth, having been already found to extend to a distance of more than 1,600 yards. It consists of both copper and silver ore, the former yielding from 20 to 30 per cent. of copper, the

latter from 3·2 to 4 ounces per quintal, or from 12 to 15 marks per monton of 30 quintals; and containing a small quantity of gold.

Upon the eastern coast of the Peninsula, at from about 6 to 7 leagues to the north of Cape San Lucas, and at from 2 to 3 from Cadoaño, where the micaceous slate and metamorphic slate are first discovered in the layers of rock of which the sierra is composed, which, rising at Cape San Lucas, declines at Cacachilas, is situated the vein of San Ignacio, in a mountain composed of the rock just alluded to. It runs in a westerly direction, and contains good silver ore.

It is impossible to allude more than cursorily to the mineral veins of Valle Perdido, El Palmar, Los Chorros, Agua Caliente, La Trinchera, and Island of Cerralvo, for they have been so superficially examined that no exact idea of their value or importance can be arrived at.

In the Valle Perdido, a mining village situated six leagues to the south of San Antonio, there exist veins of red iron ore, besides deposits of lead ores. The soil is composed of granite, and the presence of the metals referred to is perceptible in various different places.

El Palmar is a branch of the Sierra de la Cueva, which separates the creek of Muertos from that of Cerralvo, opposite San Antonio; a vein exists there of quartz with oxidized or coloured metals, which render 1·3 to 1·6 of an ounce per quintal, or from 5 to 6 marks per monton of 30 quintals, and is near the surface of the soil.

At San Bartolomé, in the neighbourhood of Los Chorros, veins of sulphuret of lead and pyrites, or sulphuret of iron disseminated in quartz, have been discovered; also, in the neighbourhood of Agua Caliente, some narrow veins of sulphuret and carbonate of lead have been discoveced. In the Sierra de la Trinchera, between La Paz and San Antonio, beyond where the mineral soil of San Antonio and El Triunfo ends, is a lofty and rugged mountain composed of syenite, upon the eastern slope of which runs a wide metallic lode from north to south-east, consisting of yellow copper and sulphuret of copper, with green copper flakes, the whole being disseminated in quartz, and the lode traversing micaceous slate. It may be traced through an extension of more than two leagues, and the mine of Calabazas, distant $1\frac{1}{2}$ leagues from La Trinchera, is opened upon it. Parallel to this lode are others upon

which the mines of San Antonio, Matancitas, and La Cobriza, at a distance of $\frac{1}{4}$ or $\frac{1}{2}$ a league from Calabazas, have been opened. These lodes consist of calcareous spar, gypsum, and quartz, mixed with iron and copper ores, such as yellow copper, native copper in small particles, carbonates, and silicates of copper, pyrites, and oxides of iron.

The Island of Cerralvo, near Cacachilas, is separated from the mainland by a narrow channel which may be passed in small boats, and some specimens of copper ore, said to have been found there, were exhibited to M. del Castillo, who did not visit the spot itself. Silver was said also to be found there.

If, therefore, the radius of the mineral districts in question (taking San Antonio as a centre) be extended as far as the valley of Cadoaño and the Island of Cerralvo, the whole of the eastern part of the Peninsula from La Trinchera and Cacachilas, as far as Cape San Lucas, may be held to be a mineral region. It may be added that various localities exist in this Peninsula, besides those where reduction works are already established, well adapted, from the existence of water-power, for the reduction of the produce of the different mines alluded to, upon a larger scale and more extended mode of operation than at present.

The mineral district of San Antonio belonged in the year 1778 to the Jurisdiction of Santa Anna, where there were reduction works constructed and carried on for the account of the Royal Patrimony; and the mines of San Pedro and St. Jago, the Nacimiento, La Concepcion, and the Triunfo, as well as various others of the district of San Antonio, were also worked for the same account. The Viceroy of Mexico, in virtue of a Royal Decree of May 12, 1775, caused the said reduction works of Santa Anna, as well as the mines of the same jurisdiction, to be offered for sale; the value of the reduction works having been declared, according to the records of the period, to be 1,193 dollars, or about 220*l.*, and the mines themselves, owing to their ruined and impoverished condition, having been declared to be of no value whatever. It appears that in the year 1780 only seventy miners were employed in the whole mineral district of San Antonio, and thirty-nine in that of Santa Cruz; the total amount of silver extracted being, in the same year, declared to be worth 40,000 dollars

(about 8,000*l.*) ; and that of gold to be worth 432 dollars (about 87*l.*).

No farther records are to be found, and the mining works of Santa Anna no longer exist.

Popular tradition attributes the great wealth of a certain Antonio de Ocio, the most skilful miner of his times in this part of the country, and who, either by first denouncing or by purchase, appears to have become the proprietor of most of the mines in the district referred to, to the produce of the same ; but his descendants affirm that his riches were derived from a bed of pearls situated on the coast of the Peninsula near Mulezé.

In former times the miners of these districts limited their efforts to the extraction of the ores to be met with near the surface of the soil, as from their being in a state of decomposition owing to the loss of sulphur, their reduction was easy by the American process, called the "patio" amalgamation (treading by mules) ; but upon extending their labours to a depth of from 15 to 20 yards, the ore extracted not being in a state of decomposition but consisting of sulphurets, difficult of reduction, they found themselves obliged to abandon their work.

Thus, the production of the mines upon M. del Castillo's visit to them in the year 1857, consisting merely of decomposed ores, did not exceed 12,000 dollars, about 2,400*l.* annually ; but since that time, the ores having been exported free of duty to England and Germany for reduction there, and some reduction works having also been established in the Peninsula itself by North Americans, a rise in the value of the ores has ensued to the amount of about 100,000 dollars (about 20,000*l.*) annually.

The expense incurred by the North Americans in the various operations undertaken by them connected with the mines of Lower California, is said already to exceed 2,000,000 dollars (about 400,000*l.*), the results obtained being in no way commensurate with so great an outlay, owing, in some degree, to want of experience on the part of those concerned. It is averred, also, that false returns of produce are often made by persons on the spot for the sake of causing a fictitious rise in the value of shares in San Francisco and New York, where the offices of the different companies are established.

The mining qualifications of the two northernmost States of the Mexican Empire, Sonora and Chihuahua,

which have lately excited much attention both in the United States and in France, have, in the opinion of a party of English gentlemen, some of whom are professional engineers, employed by an English Mining Company, who have lately partially explored the above-mentioned territory, been somewhat overrated; and I am indebted to some of the gentlemen in question for some information respecting the mines already open within the confines of these two Provinces, as well as for some results of their personal observations respecting the real amount of mineral wealth to be calculated upon in the remote districts which they visited.

The extensive plain situated between the Pacific coast and the chain of mountains which intersects the country represented by most writers upon this part of the Empire, and hitherto very generally believed, to be a perfect desert, owing to its having been quite destitute of water, has now completely changed its character on all sides, owing to wells having been sunk; water having been found at a depth of from 10 to 15 feet almost everywhere, very general cultivation having ensued, and one annual crop of cereals of all sorts having been obtained. Natural grasses are also abundant on these plains, the aspect of which has now entirely changed, owing to the discovery above alluded to; and the road between the port of Guaymas and town of Hermosillo, situated in the centre of the mineral districts of the Province of Sonora, which was before considered as almost entirely impassable on account of the want of water, as well as many other roads towards the mountains, have now been rendered, by the sinking of wells at convenient distances upon them, most useful for general purposes, and most especially for the carriage of mining machinery; and it is worthy of remark that in the two remote Provinces referred to, there is an infinitely larger amount of modern machinery in use than almost anywhere else in the interior of the Mexican Empire, owing to the facility of obtaining it from the numerous manufactories established at San Francisco; mining machinery being constructed there in separate pieces, rarely exceeding 300 lbs. in weight, so as to be capable of mule transport over difficult roads and through mountain-passes. Many reduction works, even at a distance of 300 miles in the interior, are thus well supplied with modern machinery, conveyed thither in sections,

some even containing engines of 80 horse-power, with a series of small cylinders imparting their force to a common shaft, enabling that force to be multiplied to an indefinite degree, whilst the component parts of the machinery used are of a very portable size, and the cost of transport in this part of the country seldom exceeding 100 dollars (about 20*l.*) per ton of 2,000 lbs. American weight, for 300 miles, the average distance which separates the most valuable mineral districts of the two Provinces in question from the coast. These are, in the Province of Sonora, the district of Altar to the extreme north-west, the district of Oposura or Moctezuma to the extreme north-east, the district of Guaymas and Mulatos in the centre of the State, and the district of Alamos, embracing the whole southern part of it; of these, the two northern districts, namely, Altar and Oposura, abound in silver mines of what may be termed traditional celebrity, having been known to, and worked by, the earliest settlers in the country, and most especially by the Spanish missionaries, who erected numerous establishments in their vicinity; this district of the country having been, indeed, nearly entirely under their domination, but being now much exposed to the incursions of the Apache Indians, the working of the mines in the localities adjacent to their "war paths" or "trails" has become extremely dangerous.

In the Altar Region the most celebrated "cluster" of mines is said to be that of Planchas de Plata, a record of the situation of which is supposed to exist, being founded upon a knowledge of their latitude and longitude alone. Their discovery has been the object of many expensive and unsuccessful expeditions, some of which have been recently undertaken according to tradition; it is from one of these mines that a lump of pure gold, weighing 125 lbs., is said to have been extracted, inducing, at the time, the Spanish Government to eject those persons who were working the mine for private account without continuing to work it themselves, and thus it is supposed that all knowledge of its position has been lost.

In the district of Oposura the mines of San Juan Bautista, of Lampazos and Nacossari appear to be undoubtedly of great commercial value; and among the numerous other mines of the same district, there are others well worthy of attention, especially one of copper worked by an American Company, and under the direction of Colonel Jack Hays,

a very large amount of copper being reported to be in sight and to be of rich quality, about 60 per cent., and containing a large proportion of silver, said to be from 100 to 200 dollars per ton. The mass, although abundant near the surface however, is supposed to be but superficial. The large but coarse silver veins of the Valenciana mines, to the north of the town of Opita, appear to be hardly productive enough to be worked with a fair prospect of remuneration.

A town which sprung up near the mine of San Juan Bautista, and which bears the same name, formerly acquired importance, becoming, indeed, the first capital of the province, but it is now in ruins. In 1825, when the condition of these mines admitted of a more complete exploration of them being made than at present, they were surveyed by Colonel Bourne, an English mining engineer, by direction of General Victoria, President of the Republic, and Señor Escalante, a Member of the Mexican Congress; and their value was estimated as high as that of any mines in Mexico by this gentleman, even after his journey thither had enabled him to visit those of Guanaxuato, Zacatecas, Durango, and Alamos, the present favourable indications of the mines having induced Mr. Pitherick, the well-known English engineer, and Mr. Clems, also an English engineer employed by the exploring company before alluded to, fully to sanction the favourable opinion of Colonel Bourne.

In the district of Guaymas, the mine of San Marcial is the only one of much note, and though but small, it is worked successfully by an American Company. In the adjacent district of Mulatos, the rich silver mines of Ciniqueta are unworked at present, owing to dissensions amongst the owners; many distinguished engineers, amongst whom may be included an English one of celebrity, Mr. d'Aumaile, concurring in the opinion, formed from actual survey, that these mines are capable of yielding ore of from 100 dollars (about 20*l.*) to 400 dollars (about 80*l.*) per ton. The veins, however, are not wide.

The mines Norweilla and Los Bronces, also situated in the same section of the State of Sonora, are being worked very advantageously by Mr. Alsua, a Chilean.

Among the 50,000 mines of the above State of Sonora, registered and "denounced," those upon the "Promontorio" vein, at Alamos, in the district of the same name, are undoubtedly the most productive; the one

belonging to Don José Almada being located upon the richest part of the vein where it is said to attain 40 yards in width, of which about the half is in uniform metal. The metals extracted are not particularly rich, not yielding more than from 50 to 80 dollars, about 10*l.* to 16*l.* to the ton; but from their abundance and regularity have produced excellent commercial results. The locality is about 70 leagues from the coast, is surrounded by wood, and, from the existence of an abundant supply of water, the surrounding regions are very productive. It is also secure from the incursions of Indians; labour being cheap.

In a line due east from the town of Alamos are situated the richest mines, in commercial qualifications, of all those in this part of the Mexican Empire. These are the mines of the Alamos district itself, situated at a distance of 25 leagues from the coast; those of Rosario, situated 35 leagues from the coast, near the village of Agua Caliente, on the Fuerte River, on the north-eastern extremity of the State of Sinaloa, to which, by way of Alamos, which is distant about 25 leagues from them, there is a good waggon road; and the mines of Uruapa, 50 miles from the coast, and just within the Province of Chihuahua, the communication with which, from a point near Rosario, is by "pack trail" alone.

The mines in the Rosario district are worked principally on one vein, which is peculiar in its character, being nearly horizontal, from 5 to 15 feet thick, and being situated at an elevation of about 4,000 feet above the level of the sea, and not much below the summit of a mountain, around the sides of which it can be distinctly traced. It is capped with mountain limestone, and appears in some places to interstratify with that stone, resting, in others, on syenitic and porphyry formations. The lode is composed of quartz, with some carbonate of lime and barytes. The ores are black silver, and silver in combination with copper and iron pyrites. The "ley" is from 70 to 90 dollars (about 14*l.* to 18*l.*) per ton by assay; but as the ores are refractory, the yield in a large way is only about 50 dollars (about 10*l.*) The mines referred to were energetically worked by their Mexican owners until recent political turmoils put an end to any further labours. Near at hand are the Realito mines, which proved failures in the hands of a North American Company, who erected there a steam-engine and large reduction works. Labour, food, and fuel are plentiful

in this locality, and the distance from Agua Caliente to the coast, by waggon road, is only 90 miles.

The mines of Uruapa were so highly esteemed by the gentlemen composing the exploring party here before mentioned, that they agreed to purchase them for the account of the English Company with which they are connected, from their former proprietor, Don Martin Salido. The lodes, which are very numerous, contain silver ores of various degrees of richness, all having been more or less worked by the late proprietor, and some of them very profitably. The principal mines are called Guadalupe, Animas, and Sangre de Cristo. The ores consist of black or mixed sulphides of silver and are very docile, the general ley being 50 dollars (about 10*l.*) per ton. Native silver is also found in the smaller veins of the Sangre de Cristo mine.

The rock which prevails both at Uruapa and in the neighbouring mineral district of Guazaparis is porphyry, sometimes passing into syenite. The general elevation of the country is from 3,000 to 4,000 feet above the sea level; timber, consisting principally of oak and pine trees, being abundant, although, especially during the dry season, water is rather scarce.

Close to the most northern of the Uruapa mines is situated that of Palmarejo, the property of Don Miguel Urrea; its yield of silver is large and steady, and at this moment it is believed to be one of the most profitable mines in Northern Mexico.

The mineral district of Guazaparis is situated 5 leagues south-east from that of Uruapa, and contains many mines, principally small, only one of which, however, called San José, was visited by the exploring party referred to. It belongs to an American Company, who are about to endeavour to pump out the water which has got into it, by means of steam machinery. The vein is very large, containing silver ores, not very docile, but occasionally very rich. Three steam-power reduction works have been established by North Americans in the above-mentioned district.

To the south of Uruapa, and in the same range of the sierra, lie the mines of Batapilas, one of which, the Pastraña, formerly yielded more silver than any mine in Mexico. It was worked by the Marquis of Bustamante and some other persons up to the beginning of the present century, when the Bonanza appearing to be exhausted, the

mine was abandoned. Mr. le Brun, an English gentlemen, in charge of the Mint at Alamos, has been engaged for some time past in running a tunnel, now nearly completed, into the lower levels of this mine, in order to verify the marvellous traditionary reports afloat respecting its enormous riches.

Directly east of Uruapa are situated the mines of Uruachi and Huaycaibo, the former having been recently discovered, a flourishing town having been built near it. Señor Ortiz and the Señores Rascon are the owners of the principal mines in the afore-mentioned districts, which they work according to the simplest Mexican method, but with considerable and invariable profit.

In the district of Huaycaibo lies the copper mine of La Barranca, which is of great extent, and with so large a ley of gold that it is thought its ores will bear the cost of transport to the Pacific coast. This mine was visited about the year 1860 by Mr. Glennie, who made a Report upon it to the Royal Geographical Seciety. Mr. Keys, an engineer from San Francisco, has more recently, and more thoroughly, surveyed the mine in question. The copper ores are about 35 to 45 per cent. copper; and the gold-bearing portion of the ore is worth about 250 dollars (about 50*l.*) per ton of 2,000 lbs. The vein is virgin as well as rich, and very wide at the surface, and is laid bare by the ravine of the Rio Fuerte for a considerable distance on both banks. The road from this mine to the coast is scarcely passable even for mules; and its inaccessible position is the only drawback to its unquestionable value.

A cinnabar mine has been recently discovered on the road from Uruachi to Jesus Maria y José, the value of which has not yet been ascertained.

The mineral district of Jesus Maria y José is the most extensive in Chihuahua, and around the principal mine comprised in it, that of Santa Juliana, nearly 100 of a smaller description have been registered and worked, and the deep ravines in which they are situated appear to be a complete net-work of silver-bearing veins, with a ley of gold, adding about 25 per cent. to the value of the silver.

The mine of Santa Juliana was discovered in 1822, and was worked with great energy by its Spanish owners till the time of their expulsion, which was not effected, in common with that of many of their countrymen in these

remote provinces, until the year 1829. The work was carried ou by their Mexican successors until 1836, when the water of an adjacent river invaded the mine, overpowering their slender means of drainage. The mine was sunk on a rich claro or chimney, in technical language, of silver ore, worth, as it came from the mine, 1 dollar (about 4*s*.) per lb.; and which, as shown by authentic records, produced upwards of 30,000,000 dollars (about 6,000,000*l*.). There can be little doubt but what this mine is still immensely rich in ores, but it would require powerful steam-machinery, and an expenditure of at least 50,000 dollars (about 10,000*l*.) to remove the water. The mines of San Miguel, the vein of which intersects that of Santa Juliana, are rich, and are free from water; and very near the same district are situated the mines of San Eveyan and of Refugio, both very large and rich, the latter being worked with complete machinery by an American Company very recently established. So far to the north, the country may be considered to be safe from the incursions of the Apache Indians, but no further, and little is known of the regions beyond.

About the centre of the State of Chihuahua and near to the capital, are situated the old mines of Santa Eulalia, the ore of which are poor, and require a great expenditure of wood for their reduction. So long as fuel was tolerably abundant in the neighbourhood they were worked very extensively; and the voluntary contribution of 1 real on every mark of silver extracted proved sufficient for the defrayment of the expense incurred in the erection of the cathedral of the city of Chihuahua, one of the finest in the Mexican Empire. It will thus be seen that some of the mines in these northern provinces have had to be abandoned on account of the cost and scarcity of fuel, although their ores are as abundant and rich as ever.

In the Sierra Madra, of the State of Chihuahua, about twenty leagues north-east of Agua Caliente, and ten leagues east of the mining town of Guazaparis, lies the mineral district of Setentrion. The principal lode lies entirely exposed on the side of a hill which juts out into a deep ravine. From the facility with which this lode might be worked, and the great abundance of wood and water at command, it attracted the particular attention of the exploring party referred to. It was found that the silver ores existed chiefly in a decomposed state, and were very

irregularly disseminated through the lode, which is wide and quartzous. Some of the ores were found to assay 220 dollars (about 45*l.*) per ton; and some, apparently similar, only 5 dollars (about 1*l.*). The late owner, a Mexican, is said, notwithstanding, to have realized large profits; and the extent of his reduction works seem to verify the assertion. The rocks which prevail near the mine are limestone and primitive clay slate.

The barranca or ravine of Setentrion is, at the bottom, about 2,300 feet above the level of the sea; the sides being very precipitous, and the mule trail leading into it running, in several places, at a height of nearly 6,000 feet; and yet powerful steam-engines and heavy pulverizing machinery of various kinds have been conveyed over it within the last two or three years by an American Company, in separate pieces, as before described.

The abundance of silver to be met with in the northern districts of the Mexican Empire, above referred to, is undoubtedly immense, above 100,000 mines having been registered within the two Provinces of Sonora and Chihuahua, and the country being full of lodes, giving indications of the presence of the metal in question; but it may be remarked that mines possessing all the conditions of commercial value to foreign capitalists are scarce, and difficult to discover; the multitude of mines of trifling importance rather impeding than facilitating researches.

There are, perhaps, not more than a dozen localities where foreign capital could be prudently employed; and most of these have been above alluded to as possessing qualifications no ways inferior to those of any other part of the Empire.

Speaking generally of the system of working mines which prevails in the two northern States referred to, it appears that while the Mexicans can work those of a small and poor description with some degree of success, that the results to be anticipated from large undertakings properly conducted should in no way be measured by comparison with like undertakings in which the rude Mexican method of mining is followed; and as many North American Companies have, within the last two or three years, settled in Sonora and Chihuahua, and experienced heavy losses, it may not be irrelevant to the subject to mention that, although their machinery for the reduction of metals is first-rate, their method of mining is, according to the appre-

ciation of the gentlemen before referred to, worse than that pursued by the Mexicans. Many of these Companies also commenced working mines which never held out much prospect of becoming remunerative.

I may further mention that the English Company referred to have purchased, besides the mines of Uruapa, those of Señor Almada, at Alamos, those of Rosario, those of San Juan Bautista, and those of Nacossari, which they propose working by means of two different Companies.

It was said by Baron Humboldt in his work on the Kingdom of New Spain, published in 1811, that the greatest mineral wealth of Mexico was to be found in the four Intendencies of Guanaxuato, Zacatecas, San Luis Potosi, and Durango, between the parallels of 21° and 25° of latitude, which was no doubt correct: but it ought to be borne in mind that at the period in question, the mineral wealth of Mexico had not been so much developed as at the present day; other sections of the country, though almost as important, if not equally so in a mineral point of view, being less populated, had not experienced the benefit of labour; and it is probable that the mineral resources of the Pacific Coast of Mexico must have escaped the Baron's attention, else they would have been more especially dilated upon by him.

The mining districts that were formerly the most celebrated in the State of Jalisco were Huichichila, near Tepic, Bolaños, Asientos de Ibarra, Hostatipaquillo and Agala. In the mining district of Huichichila is situated the mine San José, which was once most profitably worked and most abundant in rich ore, the ores yielding as high as 70 marks or 35 lbs. of pure silver per load of 300 lbs.; and this mine is referred to by Humboldt in his essay as being among the best in the district in question.

There are also mines in the mining districts of Tatepusco, Espiritu Santo, Santa Maria del Oro, Acuitapilco, La Jesca, and Motage, most of them abandoned; but which, according to general opinion, would produce good results if attention were given to them, and if the requisite capital for working them were forthcoming.

In the mineral district of Motage, near to Acaponeta, a small town bordering on the State of Sinaloa, are the mines called Motage, Sebastian, Pantaleon, and some others more or less abandoned, the names of all of which in the aforesaid condition it is unnecessary to mention; the causes

which have occasioned this abandonment being the almost permanently anarchical state of the country: want of labour and capital to work them, and also, in some cases, the means employed in working them having failed to produce satisfactory results, proportionate discouragement ensued.

Various other mines, once worked, it is said, to advantage, exist near Compostela, a town about one day's journey from the city of Tepic, and which are situated in the range of mountains which run through the State of the same name and skirt the sea-coast. The names of these, as they are mostly abandoned, it is unnecessary to mention; some of them, however, might be worked to advantage, were it not on account of the disturbed state of the country above alluded to.

From this locality, south and west, along the coast, there are evidences of great mineral wealth. In this direction are situated the mining districts of St. Sebastian, Cuale, Guachinango, and Desmoronada, containing mines upon which, during the Spanish rule, much labour and capital were expended; proofs of the good results attained being plainly visible, even now, to any traveller visiting the districts in question. Wood, water, and water power are plentiful and cheap, as well as salt and other necessary materials for the reduction of ores; while the valleys in the mountains, which are generally from 4,500 to 8,500 feet above the level of the sea, are fertile and produce a sufficiency of all the necessaries of life.

At the "Real" or mineral district of San Sebastian are the mines of Terrenera, Rosario, Refugio, Aragon, San Francisco, Santa Cruz, Tajo, Capote, and many others. Some are being worked, but mostly on a small scale, in consequence of the owners having been ruined by the depredations committed by the contending political parties of the country during the last few years.

Further on towards the south and west the mineral district of Cuale is first reached, and in it are the following mines, Prieta, Animas, Descubridora, Pretita, and San Rafael, all being worked; and in the Sierra of San Rafael, not far off, are the mines Rosario, San Antonio, San Juan de Dios, San Cajetano, and La Grandeza.

Farther on still, in the Sierra de San Fernando, are situated the mines Patrocinio, Jesus Maria, Socorredora, Zapopan, El Cristo, La Paz, El Naviero, El Refugio, and some others.

The ores of the above-mentioned district are generally refractory, those of the mineral district of San Sebastian being more docile.

Veins of copper and iron exist in some of the principal mineral districts of the State of Jalisco just referred to, but they have never been much developed or extensively worked.

At the Bramador mines, situated south-westerly and about two days' journey from Cuale, there are some "placeres" of a peculiar and little-known description of silver ores, which have recently been discovered and which are said to be very extensive; the ores appearing in some cases like petrified wood, some of a chalky appearance, and all being of a volcanic nature, but soft and abundant, and, so far, showing a large "ley" of silver. The mines or "placeres" have mostly been "denounced" by poor miners, who do not possess sufficient capital to work them properly.

Near this section of the country is situated the mineral district of Desmoronada, containing various good mines and reduction works.

As in the case of the two more northern States of Sonora and Chihuahua, much interest is also beginning to be generally awakened in the mineral resources of the State, just referred to, of Jalisco, some of the mines of which are in course of examination by agents of North American capitalists, who have sufficiently appreciated the advantages of their situation so near the sea-coast, the distance in most cases not exceeding three or four days' ride. The protection given to mining interests also by the mining laws of Mexico doubtless affords encouragement as well to emigration as to the investment of foreign capital. Still, as before mentioned, the works of many of the mines referred to have been suspended, and some, it is to be feared, entirely abandoned on account of the serious difficulties with which miners and capitalists, as well as all other classes of persons engaged in industrial pursuits in Mexico, have had to contend, in the absence of any permanent Government in the country, or any principle of authority sufficiently strong either to quell disturbances or to enforce the fulfilment of contracts. The endeavours to put the mines of the districts referred to into working order, with a view to their future development, have thus commonly been frustrated, after large outlays have been

made, whilst the mines themselves have been continually exposed to the depredations of armed bands organized expressly for purposes of plunder, the conveying of the silver obtained to the nearest mint or market being attended with the greatest risk from the same cause, the escorts supplied for the protection of the convoys being often totally inadequate, or, still oftener, being in league with the robbers themselves.

The great expense consequent upon the conveyance of the requisite machinery from the ports of the Mexican Pacific coast, also, hitherto, absorbed too much capital to be very generally attempted, the roads being generally most impracticable for such purposes; and this difficulty, until lately, seriously interfered with the efficient working of the mines in the district above alluded to, as well as in many others; but owing to the great improvement, before remarked upon, in the construction of all kinds of mining machinery, which renders it sufficiently portable for mule carriage, as well as to the encouragement given of late to the opening and repairing of roads in the State of Jalisco, this difficulty is gradually subsiding.

The beneficial influences on agriculture of the working of the mines of this part of the Mexican Empire are also everywhere observable in travelling through it; and, had it not been for this cause, many districts of it that are now in a flourishing state, abounding with the requisites of existence, would have remained deserts; and in the neighbourhood of the mineral districts just referred to, the cultivator of the soil is generally amply indemnified by the competition of purchasers for his toils, and for the hardships sometimes attendant upon solitary mountain life.

There are no mines in operation in the district around the port of Matamoros upon the Atlantic; and the continued interruption of communications with the interior of the State of Tamaulipas, at the northern extremity of which it is situated, have prevented my being able to obtain any exact information of the state of the mines which exist or are reported to exist there. It is said, however, that iron, lead, copper, silver, and many other metals, are to be found within two declivities in this State, being spurs of the Sierra Madre, called Valle Purisima and Valle Hermosa; and that coal exists in abundance in the district of Guerrero.

It is also said that some time ago an American Company

commenced working a copper mine in the neighbourhood of the town of San Carlos or that of Santa Clara, it is not rightly known which, but had to abandon it owing to the anarchical state of the district; and a Company which was formed in January 1864, by General Don Juan José de la Garza, the necessary machinery having been ordered in New York, for the purpose of working a silver mine said to exist near Revillagigedo, in the jurisdiction of Hidalgo de Tamaulipas, was never able to commence operations from the same cause.

A silver mine is said to exist in the neighbourhood of Vallecilla, in Nuevo Leon, and a lead mine near Monterey.

All efforts to obtain information respecting the mineral productions of the districts around the important Atlantic port of Tampico, situate at the southern extremity of the State of Tamaulipas, have proved abortive owing to the constant state of civil warfare which prevails.

No gold or silver ore has ever, to the best of the knowledge of Her Majesty's Acting Consul at the port of Vera Cruz, been discovered within his Consular district; but a copper mine situated near the base of the mountain of Perote, was, a few years since, partially worked. It is now believed to be abandoned.

The following is a list of the various silver mines of the important mineral district of Zacatecas, that of Fresnillo being by far the most important, producing nearly double the amount of ore of that of San Martin, the next in importance, and very considerably more than the double of any other mine in the same neighbourhood.

The list also contains an account of what may be considered as a fair average statement of their annual produce, by which it will be seen that it amounts to 4,281,600 dollars (about 856,320*l.*) :—

Mines.	Bars.	Dollars.	£
Fresnillo	780	936,000	187,200
San Martin	416	499,200	99,840
San Rafael	332	398,400	79,680
Veta Grande	308	369,600	73,920
Quebradilla	252	302,400	60,480
San Acasio	224	268,800	53,760
Calicanto	188	225,600	45,120
Juan Pouce	168	201,600	40,320
Rescate	220	264,000	52,800
Carnecesin	148	177,600	35,520
Bote	96	115,200	23,040
San Bartolo	44	52,800	10,560
Sombrerete	124	148,800	29,760
Noria de Angeles ..	108	129,600	25,920
Rio Grande	92	110,400	22,080
Conformes	24	28,800	5,760
Providencia	32	38,400	7,680
Various small mines ..	12	14,400	2,880
Total	3,568	4,281,600	856,320

The bar, in the Zacatecas mineral district, is calculated at an average value of 1,200 dollars.

A few copper mines also exist in the State of Zacatecas; but, with the exception of those in Mazapiel, which are, it is said, badly and carelessly worked, there are no others of any very considerable value.

The most productive mines in the State of San Luis Potosi, are those of the district of Catorce, which may be said to rank amongst the richest within the Mexican Empire, the value of the silver extracted from them annually not falling far short of 3,000,000 dollars (about 600,000*l.*)

About half way between the city of San Luis Potosí and the town of Catorce, situated sixty leagues from it, is the mineral district of Charcas, the mines in which, although inferior to those of Catorce, have been yielding, for some time past, a large amount of silver, the value of which, however, I have been unable to ascertain.

At a distance of about five leagues from the city of San Luis Potosí are situated the mines of the Cerro de San Pedro, which are said to have yielded many years ago an immense amount of silver; but the working of the principal mine having been carelessly carried on, the mountain above it fell in, and choked it up; it having been ever since totally abandoned. Some small mines in its vicinity

are still worked; and the silver extracted is rich in gold, being, however, found in but small quantities, as is the case with some other unimportant mines situated in other parts of the same State.

Quicksilver is found in considerable quantities near Guadalcazar, a town of some importance in the State of San Luis Potosí, and some other places; but the expense of production and want of capital to be employed causes the quantity extracted to be but small.

Copper, lead, and tin, are also found in the State in question; and in the neighbourhood of Rioverde, a small town. Sulphur is extracted in considerable quantities.

Four gold and silver mines, called Cueva Santa, San Miguel, Preciosa Sangre de Cristo, and San Isidro, were "denounced" last year, near the village of Etucuaro, about nine leagues from Morelia, the capital of the State of Michoacan, and which were known to the Indians before the Spanish conquest, a Company having been formed in the city of Mexico for the purpose of working them, and active operations having commenced about three months ago by means of the water power which exists near at hand.

As far as I am able to ascertain, the first class ore extracted yields $4\frac{1}{2}$ ounces of gold, with very little silver, per carga of 25 lbs., inferior classes yielding $6\frac{1}{2}$ ounces of silver, and $\frac{3}{16}$ths of an ounce of gold, and the poorest class of all about $1\frac{1}{2}$ ozs. of silver, and about $\frac{1}{2}$ oz. of gold per carga.

The principal mining districts of the State of Guerrero are those of Tasco, containing the mines of Tehuilotepec, Azulaques, Poder de Dios, Heusuco, and Simon; Coyuca, containing those of Guadalupe Coahuayutla; and Teupautitlan, containing those of Coronilla and Huamuchil. The State also contains various smaller mines, either entirely abandoned or but poorly worked, some of which are alluded to farther on.

The mineral veins in the district of Tasco, which is one of the most ancient in the Mexican Empire, and is situated about thirty-seven leagues from the capital, generally run from north-west to south-east, and are from two to three yards in width; their underlie varies according to the formation of the hills which they intersect, and some of them lie parallel, being generally composed of limestone, containing iron pyrites, copper pyrites, blende, antimoniferous and argentiferous galena, sulphuret of lead, sulphuret

of silver, native silver, oxide of copper, and native copper; the mint and arsenals of Mexico having been supplied with the last-named metal, in the time of the Spaniards, from the districts in question.

The silver in these veins is generally found in a kind of red earth called "iztajal;" and they are usually found to be in a decomposed state to a depth of about 50 yards, after which they become hard, and produce richer ore to the depth of 100 to 150 yards, beyond which depth they become too poor to be profitably worked.

The mines which produce the red earth, or "iztajal," when a good bunch of ore is found, will produce about 200 to 300 cargas per week, which, by amalgamation, will yield, on an average, from 5 to 12 ozs. of silver per carga.

A mine in this district called the Trinidad, and which was worked before the Independence by the Royal Tribunal of Mines, produced from 2,000 to 3,000 cargas per week of "iztajal." The richer ore is called "metal de pinta," but is not so abundant as the iztajal, the mines which produce it only yielding generally from 50 to 100 cargas per week, which, by amalgamation, will yield, on an average, from 8 to 16 ozs. per carga of silver.

The smelting ore, which is called "pepena," yields about 48 to 80 ozs. per carga; and a mine of this district called Chontalpa formerly produced it in such enormous quantities as to enrich a French miner, named Laborde, who came to the country in a state of poverty in the early part of the last century, to an almost fabulous extent, he having devoted 800,000 dollars (about 160,000*l.*) to the building of the parish church of Tasco, one of the most picturesque in the country.

The reduction works in the Tasco mineral district are 10, and the smelting works 12 in number; and the ore is reduced to powder by stamping-mills, worked by hydraulic power, the "patio" and the "barrel" process being pursued in the amalgamation; the furnaces for smelting all ores from 4 marks and upwards per carga being constructed upon the Spanish principle; and called "hornos Castellanos," only one German furnace being in operation.

Coyuca is situated on the left bank of the River Mexcala, about 77 leagues from the city of Mexico, to the south-west, and may be termed almost a new mineral district; several of the auriferous quartz veins and copper lodes which abound in it never have been worked to any

great extent, although it is said that the Indian tribe called the Coyuixas formerly extracted large quantities of gold from them, as well as by washing the sand of the neighbouring streams, which forms extensive placeres. The quantity of copper contained within the district is said to be immense.

The following are the gold mines which have been worked, although, mostly, in a very careless manner:—El Puerto de los Aztecas, Santa Rosalia, Mina Grande, Algodoncilla, El Tajo, Juan Perez, La Pedregosa, Los Bronces, La Ventana, La Vibora, El Zopilote, Las Lajitas, Los Gachupines, El Pañito, Santos, Cigarillo, Bejuquito, Pinzon Morado, La Matilde, and Misteñas, a copper mine with auriferous quartz.

The following are the silver mines in the mineral district of Guadalupe Coahuayutla, situated in the Sierra Madre, and near the Pacific coast:—El Nuevo Descubrimiento, Santa Ana, La Providencia, Guadalupe, Las Animas, Santa Eduvige, and La Plomosa; the ores from which are generally rich, though not abundant, producing, on an average, from 10 to 20 marks per carga of silver.

The mineral district of Teupautitlan, situated on the left bank of the River Mexcala, and to the east of Coyuca, is not much known, except as containing one celebrated gold mine, perhaps the richest in the whole Empire, which belonged to a General Hernandez, now deceased; it also contains a silver mine, called Santa Ana, tolerably rich, and numerous veins of cinnabar as yet unexplored, as well as some coal deposits.

To the west of Tasco, and in the same range of mountains, there exist several other smaller mineral districts, such as Zacualpam, Sultepec, Temescaltepec and Nanchetitla, Zacualpam being the seat of a Mining Tribunal. Near Sultepec are situated extensive German smelting works, from which many marks of silver are remitted every month to the Mint of the City of Mexico, Messrs. Stein Brothers, the owners of the works, having established a regular Tariff for the purchase of all ores from 4 ozs. per carga of silver and upwards; in consequence of which they obtain a constant supply from all the mineral districts for many leagues around.

Nanchetitla is a newly discovered mining district, which promises to become important.

The silver mines of the Real del Monte and Pachuca

Company opened on the two great veins of Santa Brigida and La Biscaina, situated, as was before stated, about sixty miles from the city of Mexico, and so well known in Europe, occupy the most important position of all those within the Mexican Empire, and are worked upon a magnificent scale by the present Company; all the latest European improvements in the way of machinery having introduced, and a large number of miners from Cornwall and other parts of Great Britain residing in the district, which, notwithstanding the incursions and depredations of banditti, who occasionally levy heavy contributions upon the Company, setting at naught a body of rural guards, armed, mounted, and maintained solely at its own expense, presents to view an aspect of order, quietude, and general prosperity which might be vainly sought for in any other district of the Mexican Empire.

The existence of the silver mines of Pachuca was known to the ancient Mexicans long before the Spanish occupation of their country; and they were acquainted with the process of smelting the ores extracted therefrom. It was here, also, that a Spaniard named Medina discovered the process of amalgamation, by means of mercury, in the year 1557.

The original English company spent nearly 1,000,000*l.* upon the mines of the Real del Monte district, without being able to declare any dividend; and they were subsequently sold for about 27,000*l.* to some Mexican speculators, who had to spend about 80,000*l.* more upon them before declaring any dividend; and now, as will be seen by the subjoined account (forming Annex No. 1) of the produce of the mines in question, according to the three different modes of reduction employed, the total value of the same during the last ten years amounted to 32,045,285 dollars, or about 6,409,057*l.*; the annual profits of the Company, as far as I have been able to ascertain, amounting, on an average, to about 500,000 dollars, or about 100,000*l.*

A short time since some attempts were made by a French gentleman to oxydize the ores extracted, by means of super-heated steam passing over it when pulverized, and thus reduce the silver to its native state, instead of by the calcination process at present in use, which reduces the silver ore, by means of salt, to a chlorate of silver; but hese attempts failed. It may be observed that, had they

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succeeded, the Company would have been enabled to economize the whole value of the salt annually employed in reduction, amounting to about 230,000 dollars, about 4,600*l.*, salt being extremely difficult and costly to obtain, having to be conveyed from the State of San Luis Potosi, a distance of some 300 miles, the land freight amounting to about 42 dollars (about 8*l.* 10*s.*) per ton; or from the ports of Tampico or Tuxpan, upon the Atlantic Coast, it being first brought thither by sea from the coast of Campeachy. To secure a more certain supply of this most necessary article, as also in the hope of reducing its cost, some salt works, were some years ago established by the Company on the Lake of Texcoco, about 3½ leagues from the city of Mexico, the waters of which contain in solution both carbonates and chlorates of sodium. The supply obtained is, however, but limited, amounting during the dry months of the year to about 1,000 arrobas, or 25,000 lbs. per week, but falling far short of that amount during the rainy season.

Some advantage it appears might be taken of the rainy season, which, in this part of the Mexican Empire, generally sets in the beginning of June, ending about the middle of October, for creating water-power for the working of the grinding wheels of the various reduction works in the Pachuca and Real del Monte districts—operations for that purpose having been lately commenced upon an extensive scale in the other great mineral district of Mexico, that of Guanaxato—were it not that in the former the nature of the ground, generally speaking, does not admit of it. Besides, a considerable risk would ensue of letting the water into the mines. During the dry season, however, some use is made of the water drained from the mines for hydraulic purposes, the drainage being effected by means of two powerful engines in Real del Monte of 150 and 200 horse-power, capable of raising, each of them, 1,500 gallons per minute. At Pachuca, the drainage is effected by means of a large engine of 300 horse-power, capable of raising 3,130 gallons per minute.

I may here mention that the quantity of rain which fell in the districts in question during the last ten years, was, according to the gauge of the director of the mines, as follows :—

Year.	Inches.	Year.	Inches.
1856 . . .	47·29	1861 . . .	55·20
1857 . . .	47·16	1862 . . .	36·90
1858 . . .	35·06	1863 . . .	32·74
1859 . . .	48·56	1864 . . .	54·65
1860 . . .	31·99	1865 . . .	60·93

In the month of May last, twenty-seven persons, one of whom was an Englishman, were drowned at Pachuca by the sudden bursting of a water-spout, and the excessive rains of the past year caused extensive inundations.

I have succeeded in obtaining a complete statement of the accounts of this important Mining Company for the whole of the past year, as well as for the first quarter of the present one, and which furnishes a curious insight into the mode of operation pursued and results obtained in an enterprise which may, without exaggeration, be termed a most gigantic one.

The statement in question is divided into three principal headings: firstly, the amount of ore extracted from the mines and reduced; secondly, the amount of silver yielded by that ore, the value of which when added to the amount of sales, tithes, and leases of other property belonging to the mine, give the gross amount of revenue yielded by the respective mines; and, thirdly, the expenses incurred in the working of the mine, reduction of the ore, and conveyance of the metal, as well as the "tithe metal" paid as a rental to the owners of the mines, and the taxes on the silver paid to the Imperial Government. These items, when added together, make up the gross amount of expenditure, the difference between which sum and the gross amount of revenue, giving the profit or loss, which is set down in one or the other of the two right-hand columns of the statement.

The amount of ore extracted varies greatly in the different mines. In many of them there appears to have been none at all extracted, and, consequently, no receipts appear. The column of expenses, however, shows that large amounts, varying from 75 dollars (about 15*l.*) to nearly 25,000 dollars (or about 5,000*l.*), have been expended on these non-producing mines; most of these amounts having been expended in keeping the mine open, and in a fit state for working at a later period; the year 1865 having been an unusually bad one for the mines of Pachuca, more particularly on account of the quantity of water in the

shafts. Some others of the mines appear to have been worked but very little, such as that, for example, of San Miguel, where only 25 cargas of ore were extracted during the entire year, giving a gross amount of only 110 dollars 80 cents (about 22*l.* 3*s.* 2*d.*). Others, again, better situated, were worked with more activity, and with such good results that, although only five in number, their net profits amounted to 733,555 dollars 79 cents (about 146,711*l.* 3*s.* 2*d.*), against 480,042 dollars 49 cents (about 96,008*l.* 9*s.* 11*d.*) lost upon the forty unprofitable mines; thus yielding to the Company a net profit over all losses and expenditure of 253,512 dollars 90 cents (about 50,702*l.* 11*s.* 7*d.*). The most largely yielding of these five richly paying mines is that of Rosario, which produced to its proprietors during the year 1865, 496,362 dollars 26 cents (about 99,272*l.* 9*s.* 1*d.*). The least remunerative during the same period was that of San Pedro por el Rosario, which yielded a profit of only 44,463 dollars 69 cents (about 8,892*l.* 14*s.* 9*d.*).

The ore is reduced by one of two different methods, namely, that by fire, the smelting process, or by the commoner method of first crushing the ore by mills or otherwise, and then washing it. The common method is adopted in every case, it being in most, the sole process pursued for separating the pure silver from the crude ore; in some few, but six out of forty-five, it is used in conjunction with the smelting process. It is also worthy of note that, even in the few cases where the smelting process is used, only a very small proportion of the ore is submitted to it. Thus, in the case of the mine of Moran, where there were not less than 5,141½ cargas of ore reduced, only 13 of them were smelted. At the mine of Rosario, where 98,040 cargas of ore were reduced, 1,314½ cargas only were smelted.

Under the second heading, namely, that of the amount of silver produced, it will be seen that in the few cases where the smelting process has been adopted the yield of silver per carga is largely in excess of the yield given by the common method of reduction. Thus, the 13 cargas of the Moran ore yielded, by smelting, 84⅜ marks of silver, or about 6½ marks of silver per carga; and the 36 cargas of the smelted Resquicio ore yielded 689⅞ marks of silver, or about 19 marks per carga. This latter is the greatest yield furnished by the smelting process; the least is that of the

Guatimotzin ore, 212 cargas of which yielded only 965⅜ marks of silver, or about 4½ marks per carga. These several ores produced, therefore, by the smelting process the following per-centage on their weight of pure silver: Moran, 1·08; Resquicio, 3·17; and Guatimotzin, 0·75; and, comparing this per-centage with that obtained by the reduction of the ore from these same three mines by the common process, we find that the result is greatly in favour of the smelting process.

The 5,128½ cargas of Moran ore, upon reduction by the common method, yielded 4,986 marks of silver, or not quite 1 mark per carga (0·97), against 6½ yielded by the smelting process; the 8,076½ cargas of Resquicio ore yielded 7,691½ marks of silver, or 0·95 mark to each carga, against 19 marks yielded by the smelting method; the 800 cargas of Guatimotzin ore yielded 980 marks, or 1·22 marks per carga, against 4½ by the smelting process. These several ores, therefore, produced by the common method the following per-centage on their weight in pure silver:—

Moran, 0·16; Resquicio, 0·15; Guatimotzin, 0·20.

The largest per-centage of silver yielded by the crude ore when reduced by the common method is that obtained from the mine of San Pedro, where 36,362 cargas of ore were reduced by that process, yielding 59,887⅛ marks of silver, or 1·65 marks per carga, being a per-centage of 0·27 on the weight of the ore in pure silver.

The smallest per-centage yielded is that from the ore of Candado, 46 cargas of which gave 23 marks of silver, or ½ mark per carga, 0·08 per cent. of pure metal on the total weight of the crude ore.

The smelting process is very rarely used in the Pachuca and Real del Monte mining district, the common method having been found to be so much more economical. The large discrepancy between the per-centage of metal extracted by the two methods is easily explained by the fact that only those pieces of ore which, having been picked over, are found to be extraordinarily rich in silver are submitted to the smelting pot; all the pieces of the ordinary ore of which the amount of silver contained does not exceed 0·27 per cent. of the weight being reduced by the common method, while only those choice pieces which contain from 0·27 to 0·50 per cent. and upwards, go to the smelter.

Under the third heading, namely, that giving the gross amount of expenditures, three distinct classes of items appear.

Firstly, the expenses of working the mine, and extracting and reducing its ores; this including the wages and salaries of labourers, officials and clerks, the money expended in maintaining and keeping in repair the mines, works, offices, and machinery, and the necessary amounts for the purchase of powder, wood, coal, forage, iron, steel, and other articles. This expenditure was the heaviest at the mine of Rosario, the one which cleared the largest profit, the gross expenses of the said mine amounting to 358,983 dollars 37 cents (about 71,796*l.* 13*s.* 6*d.*). On those mines which yielded nothing the expenditure was, of course, reduced to a minimum amount, only sufficient to keep the mine and its dependencies in proper order. On that of San Gregorio, for example, only 77 dollars 25 cents (about 15*l.* 9*s.*) were expended.

The second item of expenditure, under this third heading, consists of the expenses incurred in the carriage and selling of the silver. The maintenance and keeping in order of the roads is a heavy charge in this item, for under this head alone the mine of Rosario is debited with 8,411 dollars 15 cents (about 1,682*l.* 4*s.* 7*d.*). The charge for carriage from these mines to the city of Mexico appears to be about $\frac{1}{2}$ per cent. upon the value of the silver conveyed, and the charge for selling it to amount to about 1 per cent.

The last item under this third heading is divided into two: the duty paid to the Imperial Government upon the silver produced, which duty, according to the figures in the statement, appears to vary from 3 to 4 per cent, and to be sometimes even a little more. There is also another heavy item, which greatly reduces the dividends which each mine would otherwise pay, and that is the proportion of its yield which it has to disburse in the shape of rent to its owners; for it must be borne in mind that in but few cases do the owners of mines work them themselves, preferring to lease or rent them to other parties, who pay for their use a certain proportion of the profits, generally from 30 to 40 per cent.; the mine of Rosario, be it observed, appears to pay about 28 per cent to its owners. Those mines which yield nothing pay nothing.

A careful inspection of the Statement shows that the

ore extracted from the mine of Guatimotzin, taken in the aggregate, yields, upon reduction by the two methods, the largest per-centage of silver, for 1,012 cargas of the ore from thence gave 1,945⅜ marks of silver, being 0·32 per cent. on its weight. This, per carga, is 1·922 marks, a carga being here 300 lbs. and a mark of silver 8 ounces. Now, these 1,945⅜ marks of silver produced in money 17,432 dollars 48 cents (about 3,846*l.* 9*s.* 11½*d.*); therefore each carga of this ore was worth 17 dollars 23 cents (about 3*l.* 8*s.* 11½*d.*); and consequently 1 lb. of ore was worth about 5 cents (about 2½*d.*).

To obtain this 17,432 dollars 48 cents (or 3,486*l.* 9*s.* 11½*d.*), an expenditure of 19,363 dollars 76 cents (about 3,872*l.* 15*s.* 1*d.*) was incurred as follows: cost of extraction and reduction of the ore, 10,946 dollars 41 cents (about 2,189*l.* 5*s.* 8*d.*), which is, per mark, about 56 cents (about 2*s.* 3*d.*); tithe metal to the owners of the mine about 41 per cent. on the value of the silver produced, which amounts, therefore, to 7,144 dollars (about 1,428*l.* 16*s.*); duty on the silver paid to the Government, about 4½ per cent. on the value of the same, making, therefore, the sum of 809 dollars 83 cents (about 161*l.* 19*s.* 3*d.*); also the expenses of the carriage of the silver, about ½ per cent.; of selling it, about 1 per cent.; and of keeping the road in proper condition and repair; in all, 463 dollars 52 cents (about 92*l.* 14*s.* 1*d.*).

Thus it appears that on the mine of Guatimotzin, for the year 1865, there was an excess of expenditure over receipts of 1,931 dollars 28 cents (about 386*l.* 5*s.* 1*d.*), a loss of nearly $\frac{1}{10}$ per cent. on the amount of capital expended. This loss, in this case as well as in many others during the year 1865, was attributable to the largely increased expenses of working the mine, owing to many untoward circumstances, and most especially to a great accumulation of water in the shafts of most of the mines.

The ore extracted from the mine of Candado, taken *en masse*, appears from the Statement to be the poorest of all; the 46 cargas of it which were reduced only yielding 23 marks of silver, ½ mark per carga, or about 0·08 per cent. on its weight. The value of these 23 marks in money was 194 dollars 12 cents (about 38*l.* 16*s.* 6*d.*); per mark, 8 dollars 44 cents (about 1*l.* 13*s.* 9½*d.*); per carga of ore, 4 dollars 22 cents (about 16*s.* 11*d.*).

To obtain this 194 dollars 12 cents (about 38*l.* 16*s.* 6*d.*), an expenditure of 12,668 dollars 50 cents (about 2,553*l.* 14*s.*) seems to have been incurred, namely, cost of extraction and reduction of the ore, 12,507 dollars 92 cents (about 2,501*l.* 11*s.* 9*d.*), hence each mark produced cost, at the reduction works, 543 dollars 82 cents (about 108*l.* 15*s.* 3½*d.*); tithe metal to the owners of the mine, 142 dollars 90 cents (about 28*l.* 11*s.* 7*d.*), being at the enormous rate of nearly 74 per cent. upon the value of the silver produced; duty on this value paid to the Imperial Government, 8 dollars 76 cents (about 1*l.* 15*s.* 1*d.*), about 4½ per cent.; cost of carriage to the city of Mexico, 1 dollar 10 cents (about 4*s.* 5*d.*), about ½ per cent.; of selling it there 1 dollar 94 cents (about 7*s.* 9*d.*), just 1 per cent.; and mending and keeping roads, 5 dollars 88 cents (about 1*l.* 3*s.* 6*d.*)

From the above figures we perceive that on the mine of Candado for 1865 there were only 194 dollars 12 cents (about 38*l.* 16*s.* 6*d.*) of receipts, against 12,688 dollars 50 cents (about 2,533*l.* 14*s.*), the amount of expenditure; showing a loss of 12,474 dollars 38 cents (about 2,494*l.* 17*s.* 6*d.*)

The mine that yielded the largest revenue was that of Rosario. From it were reduced 98,040 cargas of ore, which yielded 149,929⅝ marks of silver; per carga 1·53 marks; about 25 per cent. on its weight. These 149,929⅝ marks were worth in money 1,310,009 dollars 73 cents (about 262,051*l.* 18*s.* 11*d.*) Hence each mark brought 8 dollars 73 cents (about 1*l.* 5*s.* 11½*d.*) (The mark of silver yielded by this ore seems to be worth therefore 29 cents (about 1*s.* 2*d.*) more than that yielded by the ore from the mine of Guatimotzin.)

The expenses necessary for obtaining this amount of 1,310,009 dollars 73 cents (about 262,001*l.* 18*s.* 11*d.*), were 814,274 dollars 97 cents (about 162,854*l.* 19*s.* 11*d.*), and were as follows:—For extraction and reduction, 358,983 dollars 37 cents (about 71,796*l.* 13*s.* 6*d.*); cost per mark of silver yielded, 2 dollars 40 cents (about 9*s.* 7½*d.*); tithe metal to the owners of the mine to the amount of 366,499 dollars 70 cents (about 73,299*l.* 18*s.* 10*d.*), being 28 per cent. on the value of the silver produced; duties paid to the Government, 60,829 dollars 94 cents (about 12,165*l.* 19*s.* 10*d.*), a little more than 4·65 per cent.; cost of carriage, ½ per cent; of selling, 1 per cent.; and of main-

taining roads, 8,411 dollars 15 cents (about 1,682*l.* 4*s.* 7*d.*) Total, 814,274 dollars 97 cents (about 162,854*l.* 12*s.* 11*d.*)

To this 1,310,009 dollars 73 cents about (262,001*l.* 18*s.* 11*d.*), being the value of the silver produced, must be added 627 dollars 50 cents (about 125*l.* 10*s.*), the product of sales, tithes, and leases, in order to obtain the total receipts of the mine. This addition gives 1,310,637 dollars 23 cents (about 262,127*l.* 8*s.* 11½*d.*) of receipts; against 814,274 dollars 97 cents (about 162,854*l.* 19*s.* 11*d.*) of expenses, showing a profit of 496,362 dollars 26 cents (about 99,272*l.* 9*s.* 1*d.*) The mine paid, therefore, a dividend of 60·95 per cent. upon the capital invested therein.

The mine of San Pedro por el Rosario seems to have been really the most profitable one, although its ore, in point of richness, occupies only the fourth place, for it paid upon the capital invested a larger amount of interest than any other mine reported, namely, 73 per cent.

Of the 10,515½ cargas of ore extracted from this mine, 8,678½ were reduced, yielding, of silver, 12,018½ marks; per carga, 1·38 marks; about 0·23 per cent. on the weight of the crude ore. These 12,018½ marks of silver sold for 104,972 dollars 14 cents (about 20,994*l.* 8*s.* 7*d.*) Hence each mark brought 8 dollars 73 cents (about 1*l.* 5*s.* 11½*d.*), the same as those from the mine of Rosario.

The expenses incurred in the realization of this sum of 104,972 dollars 14 cents (about 20,994*l.* 8*s.* 7*d.*), were 60,508 dollars 45 cents (about 12,101*l.* 13*s.* 10*d.*), namely, expenses of extraction and reduction, 20,161 dollars 50 cents (about 4,032*l.* 6*s.*), hence to extract and reduce a sufficient quantity of this ore to yield 1 mark of silver cost about 1 dollar 67⅔ cents (about 6*s.* 9*d.*); tithe metal to the owners of the mine, 33,934 dollars 70 cents (about 6,786*l.* 18*s.* 10*d.*), which is 32·3 per cent. on the value of the metal produced; duties paid to the Government, about 4·62 per cent., amounting to the sum of 4,850 dollars 70 cents (about 970*l.* 2*s.* 10*d.*); cost of carriage, 508 dollars 33 cents (about 101*l.* 13*s.* 3*d.*), about ½ per cent.; commission on sale, 1,049 dollars 49 cents (about 209*l.* 18*s.*), being 1 per cent.; cost of repairing roads, &c., 3 dollars 73 cents (about 14*s.* 11*d.*): total expenditure, 60,508 dollars 45 cents (about 12,101*l.* 13*s.* 10*d.*), against 104,972 dollars 14 cents (about 20,994*l.* 8*s.* 7*d.*) of receipts,

thus leaving a profit of 44,463 dollars 69 cents (about 8,892*l.* 14*s.* 9*d.*), being a dividend of not less than 73 per cent. upon the capital expended.

The other two mines which paid any dividend at all were Santa Inés, which yielded, on an expenditure of 383,631 dollars 1 cent (about 76,726*l.* 4*s.*), a profit of 78,947 dollars 35 cents (about 15,789*l.* 9*s.* 10*d.*), being 26 per cent.; and San Pedro, which paid on 439,968 dollars 14 cents (about 87,993*l.* 12*s.* 7*d.*), 111,182 dollars 39 cents (about 22,236*l.* 9*s.* 7*d.*), being about 25 per cent.

The total profit yielded by these mines to the Company was 253,513 dollars 30 cents (about 50,702*l.* 13*s.* 2½*d.*), or about 8·5 per cent. upon 3,004,321 dollars 1 cent (about 600,864*l.* 4*s.* 1*d.*), the capital expended.

The total value of all the silver yielded by the producing mines, twenty-one in number, was 3,044,971 dollars 90 cents (about 608,994*l.* 7*s.* 7½*d.*), at a total cost, for these twenty-one mines, of 2,721,049 dollars 66 cents, about 544,209*l.* 18*s.* 8*d.*; being, therefore, a profit to the Company of 323,922 dollars 24 cents (about 64,784*l.* 9*s.*), or 11·2 per cent. upon the capital expended upon them.

The reduction works appear to yield two different classes of revenue, namely, the value of the silver yielded by the ore reduced, which value has been already placed to the credit of the mines; and the value of the products of rents, tithes, and leases, which value is, in the Statement, placed to the credit of the works, and set off against the expenditure made upon them.

The works upon which the largest amount of capital was expended were those of Velasco, which appear to be the most extensive, having reduced 100,800 cargas of ores, and yielded 116,100 marks of silver, or 860 bars. The average value of a bar of silver is 1,200 dollars (about 240*l.*) The expenses of these works were 313,920 dollars 38 cents (about 62,784*l.* 1*s.* 6*d.*) The product of its sales, rents, and leases, was 337,682 dollars 90 cents (about 67,536*l.* 11*s.* 7*d.*), and the difference between these two sums shows the profit yielded by the works, which is 23,762 dollars 52 cents (about 4,752*l.* 10*s.* 1*d.*), about 7½ per cent.

The works which declared the largest dividend were those of Regla, which yielded 575 bars of silver, the expenditure being 176,509 dollars 80 cents (about 35,301*l.* 19*s.* 2*d.*), and the product of the sales, rents, and leases, 192,456

dollars 57 cents (about 38,491*l.* 6*s.* 3*d.*), a profit of 15,946 dollars 77 cents (about 3,389*l.* 3*s.* 1*d.*), being a little more than 9 per cent.

The total profit of these works was 33,866 dollars 24 cents (about 6,773*l.* 5*s.*), the total expenditure being 957,042 dollars 71 cents (about 191,408*l.* 10*s.* 10*d.*) The gain, therefore, was 3½ per cent. on the expenditure.

Besides the profits received from their mines and reduction works, the Company made profits in other ways,

Upon their "establishments" they gained 4,898 dollars 9 cents (about 979*l.* 12*s.* 4½*d.*), a per-centage upon their expenditure of about 1·16.

Upon their "warehouses" they gained nothing, but lost 86,271 dollars 77 cents (about 17,254*l.* 7*s.* 1*d.*); and the totals of amounts paid "to free shareholders," and for "provisions," &c., when added to this sum of losses by the "warehouses," must be subtracted from the amount of the profits paid by the mines and reduction works, &c., in order to obtain the final and real profit of the Company upon their undertaking:—

	Dols.	c.		£	*s.*	*d.*
Profit on mines	253,513	30	about	50,702	13	2½
„ reduction of works ..	33,866	24	„	6,773	5	0
„ establishments ..	4,898	9	„	979	12	4½
Total	292,277	63	„	58,455	10	7
Cost of warehouses	86,271	77	„	17,254	7	1
„ provisions, &c. . ..	20,366	29	„	4,073	5	2
Dividends to free shareholders ..	132,405	56	„	26,481	2	3
Total	239,043	62	„	47,608	14	6

This leaves in the hands of the Company 53,234 dollars 1 cent (about 10,646*l.* 16*s.* 1*d.*), as the final profit on the business of the year 1865, which represents 1·8 per cent. on the sum of 2,991,737 dollars 89 cents (about 598,347*l.* 11*s.* 7*d.*), which is the total expenditure of the Company for the said year.

The general remarks upon the annual statement of the accounts of the Pachuca and Real del Monte Company for 1865 apply with equal truth to the statement for the quarter ended March 31, 1866.

By an inspection of the latter statement, it will be seen that the mine of Candado now yields the richest ore of all, a fact which appears a little curious when we remember that, according to the annual statement, this was the

very mine whose ore yielded the smallest per-centage of silver: 45 cargas of this ore yielded 113 marks of silver, being 2·5 marks per carga, 0·52 per cent. on the weight of the ore. These 113 marks of silver yielded in money 987 dollars 41 cents (about 197*l.* 9*s.* 8*d.*), or, per carga of ore 21 dollars 94 cents (about 4*l.* 7*s.* 9½*d.*); per mark of silver 8 dollars 74 cents (about 1*l.* 15*s.*)

To obtain this amount of 987 dollars 41 cents (about 197*l.* 9*s.* 8*d.*), an expenditure of 3,151 dollars 46 cents (about 630*l.* 5*s.* 10*d.*), was incurred thus: cost of extraction and reduction of the ore, 2,631 dollars 31 cents (about 526*l.* 5*s.* 3*d.*), hence each mark of silver produced at the works cost 23 dollars 29 cents (about 4*l.* 13*s.* 2*d.*); tithe metal to the owners of the mines, 457 dollars 85 cents (about 91*l.* 11*s.* 5*d.*), being 46⅓ per cent. on the value of the silver produced; duty on this value paid to the Government 45 dollars 21 cents (about 9*l.* 0*s.* 10*d.*), about 4½ per cent.; cost of carriage to the city of Mexico 7 dollars 23 cents (about 1*l.* 8*s.* 11*d.*), about ⅔ per cent.; expenses of selling it there 9 dollars 86 cents (about 1*l.* 19*s.* 5*d.*), about 1 per cent.; and repairing and maintaining roads nil.

From these figures it appears that the mine of Candado yielded for the quarter ended March 31, 1866, 987 dollars 41 cents (about 197*l.* 9*s.* 8*d.*) of receipts against 3,151 dollars 46 cents (about 630*l.* 5*s.* 10*d.*) of expenses, showing a loss of 2,164 dollars 5 cents (about 432*l.* 16*s.* 2*d.*), about 68½ per cent.: not so great, therefore, as that for the year 1865.

The mine whose ore seems to be the poorest is the Milanesa, as 300 cargas of it only yielded 105 marks of silver; 0·35 of a mark per carga, or about 0·5 per cent. on its weight.

The value of these 105 marks in money was 881 dollars 20 cents (about 176*l.* 4*s.* 10*d.*); per carga of ore, therefore, 2 dollars 94 cents (about 11*s.* 9½*d.*); per mark, 8 dollars 39 cents (about 1*l.* 13*s.* 7*d.*)

To obtain this, 881 dollars 20 cents (about 176*l.* 4*s.* 10*d.*), an expenditure of 2,370 dollars 93 cents (about 474*l.* 3*s.* 9*d.*), was incurred for the extraction and reduction of the ore, which, together with the other usual expenditure, amounts to 3,342 dollars 63 cents (about 668*l.* 10*s.* 6*d.*). To set against this large expenditure there is only 881 dollars 20 cents (about 176*l.* 4*s.* 10*d.*)

of receipts; thus showing a loss to the Company of not than 2,461 dollars 43 cents (about 492*l.* 5*s.* 9*d.*).

As in the yearly statement commented upon above, the mine of Rosario appears to be the one yielding the largest revenue for the quarter ended March 31, 1866. It cleared to the Company 90,371 dollars 91 cents (about 18,074*l.* 7*s.* 8*d.*), on an expenditure of 150,267 dollars 70 cents (about 30,053*l.* 10*s.* 10*d.*), being 61 per cent. This mine is now also the one which pays the largest interest upon the capital invested. There appear to be only three other paying mines at the present moment. Their dividends are as follows: Santa Inez 16·6, Guatimotzin 41, and San Pedro por el Rosario 39 per cent.

The total value of all the silver yielded by the producing mines, seventeen in number, was 651,452 dollars 89 cents (about 130,290*l.* 11*s.* 7*d.*), or about 23,421 dollars 69 cents (about 4,684*l.* 6*s.* 9½*d.*), loss on 674,874 dollars 58 cents (about 134,974*l.* 18*s.* 4*d.*), the total expenditure, minus the value of sales, rents, and leases.

The reduction works seem to be the only department which yielded any profit at all to the Company:—

Regla, with an expenditure of 30,329 dollars 28 cents (about 6,065*l.* 17*s.* 1*d.*), yielded a profit of 4,198 dollars 22 cents (about 839*l.* 16*s.* 11*d.*), thus paying 14 per cent. upon the capital expended.

Velasco, which again appears as the most extensive reduction establishment, turned out 222 bars of silver: its expenditure being 69,645 dollars 61 cents (about 13,929*l.* 2*s.* 5*d.*); and its receipts 76,070 dollars (about 15,240*l.*); thus paying a dividend of 6,424 dollars 39 cents (about 1,284*l.* 17*s.* 7*d.*), or 9¼ per cent. on the capital invested.

All the works together produced 232,018 dollars 60 cents (about 46,403*l.* 14*s.* 5*d.*), their total expenditure being 224,502 dollars 50 cents (about 44,900*l.* 10*s.*). They therefore paid a total profit of 7,516 dollars 10 cents (about 1,503*l.* 4*s.* 5*d.*), which is 3⅓ per cent. on the expenditure.

On their establishments the Company lost 10,740 dollars 18 cents (about 2,148*l.* 0*s.* 9*d.*). On their warehouses 11,577 dollars 60 cents (about 2,315*l.* 10*s.* 5*d.*).

The divers payments were, 1,577 dollars 53 cents (about 315*l.* 14*s.* 1½*d.*); and the dividends to free shareholders 3,273 dollars 94 cents (about 654*l.* 15*s.* 9*d.*).

Hence against a loss of 23,421 dollars 69 cents (about 4,684*l.* 6*s.* 9½*d.*) on the mines; a loss of 10,740 dollars 18 cents (about 2,148*l.* 0*s.* 9*d.*), on the establishments; one of 11,577 dollars 60 cents (about 2,315*l.* 10*s.* 5*d.*) on the warehouses; divers payments, 1,577 dollars 53 cents (about 315*l.* 14*s.* 1½*d.*), and dividends to free shareholders 3,273 dollars 94 cents (about 654*l.* 15*s.* 9*d.*): total 50,590 dollars 94 cents (about 10,118*l.* 3*s.* 10*d.*); there is only 7,516 dollars 10 cents (about 1,503*l.* 4*s.* 5*d.*) of receipts. The difference between these two amounts, which expresses the total loss of the Company, is 43,074 dollars 84 cents (about 8,614*l.* 19*s.* 4*d.*); a loss of 6¼ per cent. on the capital invested, viz., 694,527 dollars 73 cents (about 138,905*l.* 10*s.* 11*d.*)

There were produced during this quarter 560 bars of silver, the value of which was 651,452 dollars 89 cents (about 130,290*l.* 11*s.* 7*d.*), and the product of sales, rents, and leases was 617,286 dollars 20 cents (about 123,457*l.* 4*s.* 10*d.*).

By the kind exertions of Mr. C. O. Phillips, late British Consular Agent at Guanaxuato, I have been enabled to procure a copy of a statement of the accounts of all the mines in that celebrated mineral district for the year 1865, which has recently been compiled by Government order, though not yet made public.

It appears from this statement that there are in the mineral district of Guanaxuato 181 mines, of which number, however, only 94 are at present worked.

The depth of shaft of these mines varies from 50 mètres, such as that of the Imperial and others, to 560, such as that of the Valenciana; the thickness of the veins of ore varying from ¼ yard, as in the Purisima and others, to 60 yards, as in the mine of Cinco Señores; the yield of silver per monton ranging from 3 marks, as in that of Arizona and others, to 162 marks, as in that of the Peregrina.

These 94 mines afford constant employment to 5,724 men and 407 animals; the one which yields the richest ore, *i.e.*, that from which the largest per-centage of pure silver is extracted, being the Peregrina, the ore from which yielding, as before stated, per monton, 162 marks of pure silver; the depth of its deepest shaft being 192 mètres, whilst the mean thickness of its veins is only ½ yard: there having been only 11 montons of ore extracted during

the year 1865, and these of the second class, yielding, per monton, 162 marks, or, for the 11 montons, 1,782 marks of pure silver. This mine furnished employment to 131 men and 84 animals, and consumed 16,572 dollars 60 cents (about 3,314*l.* 10*s.* 5*d.*), worth of materials, &c., during the year.

The ore extracted from the mine of Villaseca appears to have been the poorest, yielding, per monton, only 3 marks of silver; 500 montons of ore having been extracted from it, and which, at the rate of 3 marks per monton, thus produced 1,500 marks of pure silver. It furnished employment to only 30 men, and expended for materials, &c., 217 dollars 90 cents (about 43*l.* 11*s.* 7½*d.*).

The mine from which the greatest amount of silver was extracted was that of Mellado; the depth of its deepest shaft being 240 mètres, and the mean thickness of its veins 60 yards. From it were extracted 3,500 montons of ore, each monton yielding 72 marks of silver, thus making a total yield of 252,000 marks of pure silver. It employed 2 "whims," costing each 2,500 dollars (about 500*l.*), 531 men, and 18 animals; and expended for materials, during the year, 28,157 dollars 10 cents (about 5,631*l.* 8*s.* 5*d.*).

The mine from which the largest quantity of ore was extracted was that of Jesus Maria y José, 9,325 montons of ore having been taken from it, and yielding 46,625 marks of pure silver, or 5 marks per monton; the depth of its deepest shaft being 313 mètres, and the mean thickness of its veins of metal 10 yards. It employed 3 whims, costing 1,800 dollars (about 360*l.*) each, 616 men, and 134 animals; and expended for materials, during the year, 33,942 dollars (about 6,788*l.* 8*s.*).

The reduction works of Guanaxuato are 26 in number, costing annually from 3,000 dollars, about 600*l.*, to 106,185 dollars (about 21,737*l.*); their average cost being 31,969 dollars 4 cents (about 6,393*l.* 16*s.* 2*d.*), and the total cost of the whole number 831,195 dollars (about 166,239*l.*) Their yield is 222,095 marks of pure silver, at a cost of 3 dollars 75 cents (about 15*s.*) per mark; a mark of silver being worth from 8 dollars (about 1*l.* 12*s.*) to 9 dollars (about 1*l.* 16*s.*). These works furnish constant employment to 1,210 men, and own or work 1,087 mules; consuming annually 251,579 dollars (about 50,315*l.* 16*s.*)

worth of various substances and materials necessary for the reduction of ores; the ore being reduced by the patio method, and the different works containing 27 patios or courts, 4 tanks, and 711 mills, which furnish employment to 375 mill-men, 4 pounders and stampers, 152 washers, 177 mud-treaders, and 24 mule mud-treaders; they also contain 36 crushing machines. Of these works, those which extracted the largest per-centage of metal from the ore were those of San Francisco, for, from 1,823 montons, they produced 17,209 marks of silver, or 9·44 marks per monton of crude ore; employing 50 men and 37 mules, and using 23,210 dollars (about 4,642*l.*) worth of materials in the reduction of the ore; the total cost of the works being 57,940 dollars (about 11,588*l.*), and, therefore, for every mark of silver produced 3·33 dollars (about 13*s.* 4*d.*) was expended.

The works which extracted the smallest per-centage of metal from the ore reduced were those of San Augustin; for 1,250 montons of ore yielded only 2,710 marks of silver, or 2·16 marks per monton. The said works employ 37 men and 24 mules, and, it may be observed, employed more days in reduction during the year than any of the others, being 46 days in all, consuming in the reduction of the ore 12,045 dollars (about 2,409*l.*) worth of different substances and materials; the total cost for the year being 25,580 dollars (about 5,116*l.*); each mark of silver yielded costing therefore 9·44 dollars (about 1*l.* 17*s.* 10*d.*). The works in question are not only those which extract the smallest amount of metal from the ore reduced, but are also those which pay the least on the capital invested.

The works which pay the largest per-centage upon the capital expended thereon are those of Guadalupe; for, from 1,082 montons of ore they yielded 9,575 marks of silver, or 8·85 marks per monton; employing 49 men and 77 mules; the days employed in reduction being 30 during the year, the reduction of the ore having consumed 15,939 dollars (about 3,187*l.* 16*s.*) worth of materials, and the total disbursements for the year amounting to 8,610 dollars (about 1,722*l.*), being about 90 cents (about 3*s.* 7½*d.*) per mark of pure silver produced.

The largest works, being those which reduce the largest quantity of ore, are those of Dolores de Barrera, at which

3,010 montons of metal yielded 24,080 marks of silver, or 8 marks to the monton of ore. These works employ 55 men and 100 mules, and consumed during the year 29,128 dollars (about 5,825*l.* 12*s.*) worth of materials, having worked 30 days; the total expenditure being 92,000 dollars (about 18,400*l.*); each mark of silver produced costing therefore 3·82 dollars (about 15*s.* 3½*d.*).

The works upon which most capital was expended were those of Cipreses, which produced only 13,000 marks of silver, at a cost of 106,185 dollars (about 21,737*l.*), or 8 dollars 16 cents (about 1*l.* 12*s.* 8*d.*) per mark.

In the mining district of Guanaxuato, the "carga" or "load" of ore consists of 14 arrobas of 25 lbs., whilst in that of Pachuca and Rea ldel Monte, as well as in that of Zacatecas and others, it consists of only 12 arrobas; also, in the mineral district of Guanaxuato, the monton or "heap" of ore consists of 32 quintals of 100 lbs.; whilst in that of Pachuca and Real del Monte and Zacatecas, it consists of only 20 quintals; the mark of silver consisting of 6 ounces everywhere, and 1 lb. of 2 marks (or 16 ounces).

All mineral veins and mines contained within the Mexican Empire belong to the State, and any person who may wish to invest capital in working either a newly discovered vein, or even an abandoned mine, must first register it at the "Diputacion Territorial de Minas" (or "Territorial Council of Mines") of the district in which the said vein or mine is situated by means of a writ, on stamped paper, called a "denuncio," and which must express the profession of the person or persons who sign it, the situation of the vein or mine, &c.; and upon the said writ or denuncio being presented, the President of the Council puts down the exact hour at which it was delivered, the fee being 4 dollars (about 1*l.*) for so doing; and then placards called "pregones," are fixed up on the church door, and on those of other public places in the nearest village for three consecutive Sundays, giving the particulars of the new vein or mine that has been registered; after which, if no one offers any opposition, the mine is adjudicated, and the new owner is called upon to make a "winze," or pit, of 1½ metres wide, and about 10 metres deep, within the term of 60 days afterwards, if it is a new vein which has been adjudged; but if it be an old mine, he must clear out a certain part of it within the same

period of time. After this has been done, the owner or owners have to present a new writ, petitioning for the "pertenencias" they require; a "pertenencia" being an allotment of mining ground on silver or gold veins; and it is fixed by a recent law at a length of 200 metres along the lode, the breadth depending on its inclination; but when its inclination forms an angle of 45 degrees, the breadth is also fixed at 200 metres.

No mine can ever comprise more than four pertenencias, that is to say, be longer than 800 metres, or wider than 200 metres.

A pertenencia on any irregular formation, such as coal, sulphur, precious stones, or alum deposits, is fixed at a square of which each side is 200 metres long (comprising 40,000 metres square). On a deposit of kaolin, or porcelain clay, the pertenencia is a square consisting of 400 metres each way (160,000 metres square), no more than one pertenencia being ever granted upon the deposit last alluded to.

The requisite formalities as above described having been complied with, the district surveyor of mines accompanies the President or Deputies of the Council to give the new owner or owners legal possession of the mine in the name of the supreme authority of the nation, supplying him or them afterwards with a certified copy of all the proceedings, which forms the title-deed of the newly granted granted mine; if the names of two or more persons appear in this writ, petitioning to be considered as a company, four pertenencias are granted; the fees to be paid being from 200 dollars (about 40*l.*) to 400 dollars (about 80*l.*) according to the distance of the mine from the town where the Council of Mines holds its sittings.

Inclosed is a list (forming Annex 2) of the different mints existing within the Mexican Empire, with the amount of the gold and silver coined therein during the first quarter of the present year, such periodical Returns of coinage being now made in accordance with an Imperial Order of the 1st of November last. It is to be observed that no Returns have been received from the mints of Chihuahua, Culiacan, Hermosillo, and Alamos, probably on account of the anarchical state of the districts in which they are situated. I have been informed, however, by an English gentleman, many years resident in Chihuahua, that the mint of that city, of which he was formerly himself

director, has been for some time past coining daily an amount of about 2,000 dollars (about 400*l.*) in copper money bearing the effigy, not of the Emperor, but of Señor Juarez, the late President of the Mexican Republic, who possesses sufficient power in the remote State in question to oblige the natives of it to accept the spurious copper coin in question in change for their silver money.

The following is a list of duties and other charges on silver in Mexico calculated on a bar, of the value of 1,000 dollars (about 200*l.*):—

	$ c.	$ c.	£ s. d.
Fixed rates:—			
Municipal duty, 4 reals per bar	0 50		
Assay, 12 reals per bar	1 50		
Quinto (stamping), 3 per cent.	30 0		
Mineria (Mining School), 1 real per mark ..	15 15		
Mint dues (coinage, &c.)	45 45		
Circulation duty on specie sent to the coast, 2 per cent.	20 0		
Export duty, ditto; exported, 6 per cent. ..	60 0		
		172 60	equal to 34 10 5
General expenses:—			
The charges may vary 1 to 1½ per cent., fair average—			
Freight and escort from the mining districts varies from ½ to 2 per cent.; average, 1 per cent.	10 0		
Ditto on specie to the coast, 3½ per cent. ..	7 50		
Commission on receiving, remitting, and shipping specie, 2 per cent.	20 0		
Steamer's agent, and packing, ¼ per cent. .	2 50		
		40 0	
Total charges in the country, 21¼ per cent.		212 60	equal to 42 10 5
Charges to Europe:—			
Freight per steamer, 1⅛ per cent.	11 25		
Insurance, ¾ per cent.	7 50		
		18 75	
23⅛ per cent. total from mines to Europe .		231 35	equal to 46 5 5

The methods in use for reducing ores in Mexico by means of smelting, by revolving barrels loaded with stones, and by mule-treading (denominated the patio process), have lately seriously occupied the attention of the Government; and the following letter on the subject from the Emperor to the Minister for Public Works appeared in the "Official Gazette" of the 9th of April last:—

"My dear Minister,

"We have observed with pride that in Mexico the reduction of silver ores by the amalgamated method has been brought to much perfection, and that it is superior, in regard to production and to economy, to the method pursued in other countries.

"Unfortunately the case is different with respect to the method of smelting, which in general leaves much to be desired. But what has most excited our attention is, that in the methods made use of, great difficulty is experienced in effecting the reduction of and in the extraction of the silver from such ores as contain it mingled with copper, blende, lead, &c.: so great is it, indeed, that the cost of its reduction often renders it unremunerative, and that it becomes necessary to send the ore to foreign countries, and even as far as Saxony, in order to procure the extraction of the silver.

"For the purpose of introducing a lasting improvement into the important science of mineralogy, and of promoting its progress, we desire you to name a Commission of three competent persons for the purpose of translating from the German the "Memoir of the Mineralogical Society of Freyberg,' which treats of the most efficacious methods of reducing refractory silver ores.

"In order that the information thus to be derived may be brought to the knowledge of the mining classes, we ordain that the said methods be published in the 'Official Gazette,' and that pamphlets containing them be distributed throughout the mineral districts.

"Yours affectionately,
(Signed) "MAXIMILIAN."

The Mineria, or School of Mines, a conspicuous building within the city of Mexico, and containing an extensive collection of minerals, has also never ceased to enjoy the support of all succeeding Governments, and a certain amount of protection even in the most anarchical times, which, in a country of which the mineral resources are so enormous, and one may even add unrivalled, is in no way to be wondered at.

Before the Spanish conquest, great quantities of the precious metals had been extracted from the Mexican soil, and even before the introduction of mechanical appliances into the country, which may be said to have commenced with the present century; indeed, silver has long been the great staple of Mexican export trade; and it is said that from the year 1796 to the year 1810, about 22,000,000 dollars (about 4,400,000*l.*) were annually shipped from the ports of the colony for Spain, any commercial intercourse with any other than the mother-country being interdicted,

and the influence of the mines was almost equally great upon the internal trade and conditton of the country, for towns sprung up in their vicinity, and agriculture received an impulse, even in the remotest and often most inaccessible regions; and then, as now, the well-being of the whole community became largely involved in the successful production of the precious metals.

(Signed) R. T. C. MIDDLETON.

(Annex No. 1.)—Products of the Mines of the Real del Monte and Pachuca Company, 1855 to 1864.

Year.	Smelting Process.		Barrel Process.		Patio Process.		Total.				
	Cargas.	Marks.	Cargas.	Marks.	Cargas.	Marks.	Cargas.	Marks.	Value.		
									$	£	s.
1855	2,690½	20,583¼	189,555½	205,868⅜	38,009	45,296½	230,255	271,748¼	2,375,503	= 475,100	12
1856	6,011½	47,447⅝	209,054	243,041½	46,490	60,061¼	261,555½	350,550⅜	3,081,663	616,332	12
1857	4,831⅔	43,100½	218,511½	237,141⅜	49,900	63,105	273,243⅙	343,346⅞	3,014,565	602,913	0
1858	5,048	49,100¼	216,296	217,157⅛	47,950	54,046¼	269,294	320,303⅝	2,814,122	562,824	8
1859	4,814	52,057½	215,310	283,111½	44,013½	51,434	264,137½	386,603	3,404,459	680,891	16
1860	4,481½	47,442	210,160	314,745¼	50,417	61,207	265,058½	423,394¼	3,710,892	742,178	8
1861	4,203	47,518	224,035½	330,253⅛	47,136	54,622	275,374½	432,393⅛	3,782,399	756,479	16
1862	4,162	43,397	223,469	277,869½	52,958½	73,670⅞	280,590	394,937⅜	3,445,223	689,044	12
1863	3,543	32,983⅜	194,097	217,204	76,920	87,784⅞	274,560	337,972¼	2,984,351	596,870	4
1864	3,500	29,565	205,850	220,946	105,740	142,200⅝	315,090	392,711⅝	3,432,108	686,421	12
Total.	43,285⅔	413,194½	2,106,338½	2,547,337¾	559,534	693,428⅜	2,709,158⅙	3,653,960½	32,045,285	= 6,409,057	0

(Annex No. 2.)—List of Mints of the Mexican Empire.

January.

Mints.	Gold.	Silver.	Total.		
	$	$ c.	$ c.	£ s. d.	
Mexico	..	375,438 25	375,438 25	= 75,087 13 0	
Guanaxuato	..	272,000 0	272,000 0	54,400 0 0	
Zacatecas	..	310,000 0	310 000 0	62,000 0 0	
Guadalajara	12,176	50,512 0	62,688 0	12,537 12 0	
Durango	..	62,000 0	62,000 0	12,400 0 0	
Catorce	..	..	.. ..	.. ..	
San Luis Potosi	..	..	.. ..	.. ..	
Oajaca	2,368	13,750 0	16,118 0	3,223 12 0	
Chihuahua	..	..	.. ..	.. ..	
Culiacan	..	..	.. ..	.. ..	
Hermosillo	..	..	.. ..	.. ..	
Alamos	..	..	.. ..	.. ..	
Total	14,544	1,083,700 25	1,098,244 25	= 219,648 17 0	

March.

Gold.	Silver.	Total.	
$	$ c.	$ c.	£ s. d.
80,024	370,236 0	450,260 0	= 90,052 0 0
42,000	294,000 0	336,000 0	67,200 0 0
..	440,000 0	440,000 0	88,000 0 0
..	46,560 0	46,560 0	9,312 0 0
2,544	82,000 0	84,544 0	16,908 16 0
..	..	.. ..	.. ..
..	123,140 0	123,140 0	24,628 0 0
1,120	27,773 0	28,983 0	5,778 12 0
..	..	.. ..	.. ..
..	..	.. ..	.. ..
..	..	.. ..	.. ..
..	..	.. ..	.. ..
125,688	1,383,709 0	1,509,397 0	= 301,879 8 0

February.

Mints.	Gold.	Silver.	Total.		
	$	$ c.	$ c.	£ s. d.	
Mexico	..	336,528 55	336,528 55	= 67,305 14 2½	
Guanaxuato	56,000	271,000 0	327,000 0	65,400 0 0	
Zacatecas	16,000	314,000 0	330,000 0	66,000 0 0	
Guadalajara	..	34,561 0	34,561 0	6,912 4 0	
Durango	9,808	80,000 0	89,808 0	17,961 12 0	
Catorce	..	167,860 0	167,860 0	33,572 0 0	
San Luis Potosi	..	..	.. ..	.. ..	
Oajaca	3,872	18,800 0	22,672 0	4,534 8 0	
Chihuahua	..	..	.. ..	.. ..	
Culiacan	..	..	.. ..	.. ..	
Hermosillo	..	..	.. ..	.. ..	
Alamos	..	..	.. ..	.. ..	
Total	85,680	1,222,749 55	1,308,429 55	= 261,685 18 2½	

Résumé.

Gold.	Silver.	Total.	
$	$ c.	$ c.	£ s. d.
80,024	1,082,202 80	1,162,226 80	= 232,445 7 2½
98,000	837,000 0	935,000 0	187,000 0 0
16,000	1,064,000 0	1,080,000 0	216,000 0 0
12,176	131,633 0	143,809 0	28,761 16 0
12,352	224,000 0	236,352 0	47,270 8 0
..	167,860 0	167,860 0	33,572 0 0
..	123,140 0	123,140 0	24,628 0 0
7,360	60,323 0	67,683 0	13,536 12 0
..	..	.. ..	.. ..
..	..	.. ..	.. ..
..	..	.. ..	.. ..
..	..	.. ..	.. ..
225,912	3,690,158 80	3,916,070 80	= 783,214 3 2½

Netherlands.

Report by Mr. Ward, Her Majesty's Secretary of Legation, on the Indian Budget for 1867.

In the year 1864 a Bill was passed for the purpose of bringing the finances of Netherland India under the immediate control of the Legislature of the State. Up to that period the practice had been to submit to the States-General, together with the annual Report of the condition of their foreign Possessions and Colonies, a Financial Statement with regard to each of them, made up to the date of closing the last account, which, in the case of the Indian Possessions, corresponded with a period of two and a-half years anterior to the date of presenting the Report. To this was annexed the estimate of the revenue and expenditure for the year next following, as settled by the Government in India.

I have already, in two previous Reports, brought up the account of the state of these Possessions from the time when it was first made public in 1849 to the year 1860, from which the progress of their financial prosperity may be learned.

An analysis of the Estimates for 1867, laid before the Chambers by the late Minister for the Colonies in the month of April last, will bring under review the changes which have taken place since the last-mentioned period in the receipts and expenditure on account of the Settlements in question. But it is necessary to state here, in order to account for the circumstance that this Report has been sent in three months after the time prescribed by the instructions of the Foreign Office, that the Budget as originally presented has not only been modified in many important items, in conformity with the policy of the new Minister, M. Mijer, who succeeded M. Van der Putte in June last, so that it could not be taken into consideration by the Second Chamber until the close of the month of August, but that the final decision of the Legislature was

not arrived at until the 15th September; and the amended accounts were not published until the 9th of the present month.

According to the provisions of the Law of 1864, the first Estimates requiring the sanction of the Legislature are those for 1867. They are formed upon the basis of those of the year 1865, the last prepared and passed according to the practice previously established by law.

The general abstract of expenditure is herewith presented in a tabular form :—

No. of Section.	Denomination of Sections.		Estimate for 1867.	Settled for 1865.	Excess in 1867.	Excess in 1865.
			Florins.	Florins.	Florins.	Florins.
1	Income of Governor-General and charge for his household	Cap. 1	...	...	...	...
		2	290,600	260,600	30,000	...
2	Superior Departments of State, and Secretary's Office ...	Cap. 1	...	...	...	...
		2	856,178	696,363	159,815	...
3	Department of Justice	Cap. 1	...	...	...	...
		2	2,517,122	2,384,726	132,396	...
4	Department of Internal Administration	Cap. 1	10,930,266	1,353,961	9,576,305	...
		2	39,766,224	38,796,529	969,695	...
5	Department of Education and Industry	Cap. 1	36,634	23,017	13,617	...
		2	7,446,267	10,457,641	...	3,101,374
6	Department of Civil Public Works	Cap. 1	923,950	368,342	555,608	...
		2	7,483,649	8,411,052	...	927,403
7	Department of Finance	Cap. 1	17,147,193	16,020,545	1,126,648	...
		2	2,454,028	1,966,350	487,678	...
8	Department of War	Cap. 1	3,063,752	2,524,728	539,024	...
		2	17,902,202	18,623,934	...	721,732
9	Department of Marine	Cap. 1	975,431	751,102	224,329	...
		2	5,992,419	5,825,300	167,119	...
10	Pensions and other expenditure of a general nature. ...	Cap. 1	2,552,558	2,056,621	495,937	...
		2	2,062,800	1,845,600	217,200	...
11	Unforeseen expenditure	Cap. 1	100,000	...	100,000	...
		2	500,000	500,000	...	...
		2	...	4,485,102	...	4,485,102
	Total		123,001,273	117,441,513	14,795,371	9,235,611
			117,441,513		9,235,611	
			5,559,760		5,559,760	

It is divided into two principal divisions : the expenditure in the Netherlands and the expenditure in India. Each of these is sanctioned by a separate law, and distributed into corresponding sections.

The 1st section provides for the salary and other expenses of the Governor-General, exclusively of his Staff, namely :—

	Florins.	£
For the salary of the Governor-General ..	160,000	= 13,333
Travelling expenses	100,000	8,333
Maintenance of Residence, &c., and unforeseen expenses	30,600	2,550
	290,600	24,216

Being 30,000 florins more than fixed for 1865.

Section 2 includes the charges for the Council of India, the Audit Chamber, and the Secretary's Office, estimated

together at 856,178 florins (71,348*l.*) for 1867, and 696,363 (58,030*l.*) for 1865.

The Council of India consists of a President and four members, the former with a salary of 36,000 florins (3,000*l.*), the latter of 28,800 florins (2,400*l.*) each.

The salary of the Secretary for India is 20,000 florins (1,666*l.*)

A salary of 18,000 florins (1,500*l.*) is proposed for the President of the Audit Chamber, and for each of the six members of the Board, 14,400 florins (1,200*l.*).

Section 3 contains the estimate for the Civil and Military Courts of Justice, Police, Prisons, &c., at 2,517,122 florins (209,760*l.*) for 1867, and 2,384,726 florins (198,727*l.*) for 1865.

The expense of the three preceding sections is borne on the Indian estimates alone.

Under the 4th section the expenditure, as estimated to be defrayed in the Netherlands, is, for 1867, 10,930,266 florins (910,855*l.*); for 1865, 1,353,961 florins (112,830*l.*). These items will require the following explanation :—

It has become necessary, under the new system, to charge separately the cost of freight, warehousing, and other expenses connected with transporting to the Netherlands the produce raised and received on Government account in India. The former practice was to enter in the account the net price of the produce sold in the Netherlands, after deducting costs and charges connected with the transport of it from India. Now, however, the gross cost is returned, and the expenses charged as a separate item. These, therefore, estimated for 1867 at 10,004,666 florins (833,722*l.*), have been charged to this chapter of the Budget, and account for the difference observable between the items for 1867 and 1865.

The expenditure in India brought under this section amounts, for the two years respectively, to 39,766,224 florins (3,313,852*l.*) for the former, and 38,796,529 florins (3,233,044*l.*) for the latter, and includes the salaries and appointments and other expenses of the officers, European and native, connected with the general administration of the Government, with the management of the land revenue, the cultures, and the forests, together with the purchase-money of the produce raised and received on account of Government, the expenses of the survey of Java, of the

Post-office, and of some other miscellaneous items belonging to the internal administration.

A question of considerable importance to the administration of native affairs in Java has occasioned the necessity of a material increase in the expenditure under this head, which, indeed, as proposed by the predecessor of the present Colonial Minister, was carried to a greater extent than the latter has considered necessary.

The allowances hitherto made to the native officers employed in the administration of the Government were admitted to be insufficient to enable them to maintain their proper influence among their countrymen, not only on general grounds, but with reference to certain proposed reforms in the manner of compensating their services. Some of these officers held land belonging to the communes by virtue of their offices, and many of them also were permitted to exact personal services of various descriptions from the tenants of the common lands. It was the intention of M. van der Putte to abolish both these subsidiary sources of emolument, but M. Mijer has suspended his predecessor's decision with respect to the last of them.

The increase of expenditure as estimated by M. van der Putte as necessary under these circumstances was 3,340,395 florins (279,199*l.*) more than for the year 1865; but, in consequence of M. Mijer's modification of the measure, this excess was, in the first instance, reduced to 2,000,000 florins. The Second Chamber has now still further reduced this to 1,000,000 florins, and some other sums have been struck off from votes under the same head on the proposition of the Minister. M. Mijer, however, has intimated his intention of bringing this matter under the consideration of the Chambers in another form, as it is necessary in the interest of the public service that an increased expenditure for the remuneration of the native Chiefs and Magistrates should be authorized.

The 5th section includes the expenditure for educational and industrial objects, estimated in the Netherlands at 36,634 florins (3,053*l.*), for 1867, and 23,017 florins, or 1,918*l.*, for 1865; and, in India, at 7,446,267 florins (620,522*l.*) and 10,547,641 florins (878,970*l.*) for the same periods, including—

	1867.	1865.
	Florins.	Florins.
Education of Europeans	587,697	559,377
Education of natives	165,398	162,727
Christian worship	510,904	522,944
Native worship	10,539	10,539
Arts and sciences	69,042	88,630
Medical service	447,499	427,164
Charitable institutions	118,718	158,718
Chambers of Commerce	4,500	5,400
Inspection of weights and measures ..	900	900
General expenses of Mining Department*	2,719,505	2,756,193
Expenses connected with the monopoly of salt	2,379,849	5,854,849

In the year 1865 foreign salt was purchased to the amount of 3,475,000 florins.

The Department of Public Works forms the 6th section, and the amount of expenditure estimated for 1867 and authorized for 1865 is as follows :—

	1867.		1865.	
	Florins.	£	Florins	£
In the Netherlands ..	923,950=	76,996	368,342=	30,695
In India	7,483,649=	623,637	8,411,052=	700,921

Under the 7th section (Finance) the charges in the Netherlands are—

	Florins.	£
1867	17,147,193=	1,428,932
1865	16,020,545=	1,335,045

And in India—

	Florins.	£
1867	2,454,028=	204,502
1865	1,966,350=	163,862

Under this head are to be found the following items in the Netherlands :—

	Florins.
Agio and freight of specie sent to India, 1867 ..	310,500
„ „ 1855 ..	225,000

A considerable part of the revenues of the Indian possessions being realized in the mother country by the sale of produce transmitted from India, a large proportion

* In this item is included the cost of tin purchased at Banka, 1,407,000 florins; expenses of Government tin mines, 1,028,188 florins; and purchase, &c., of gold dust, 1,267 florins.

of the expenditure there has to be remitted from the Netherlands, as may be seen in the former financial accounts contained in my previous Reports. By the new system of accounts the amount of these remittances does not appear in them, but the expense attending them must necessarily be entered :—

	1867.	1861.
	Florins.	Florins.
Cost and freight of Levant opium ..	551,250	581,250
Contribution from the Indian revenue to that of the State	16,231,789	15,211,768

This item is made up of the sum of 9,800,000 florins, which was formerly accounted for as the interest of a fictitious debt represented as due from the Indian possessions to the mother country, and the Colonial surplus, which has in former years been of a much larger amount.

The expenditure in India under this section consists of items connected with the collection of the revenue in its different branches.

The charges of the War Department are (section 8), in the Netherlands :—

	Florins	£
1867	3,063,752	=255,312
1865	2,524,728	=210,394

And in India—

	Florins.	£
1867	17,902,202	=1,491,850
1865	18,623,934	=1,551,994

And for the Marine Department (section 9) in the Netherlands :—

	Florins.	£
1867	975,431	=81,286
1865	751,102	=62,592

In India—

	Florins.	£
1867	5,992,419	=499,368
1865	5,825,300	=485,441

The 10th section comprehends the Civil and Military Pension List, and other charges connected with the retirement and rewards of public servants employed in India.

The aggregate amount as estimated for the respective years is :—1867, 2,552,558 florins (212,713*l.*) ; 1865, 2,056,621 florins (171,385*l.*), payable in the Netherlands :

and in 1867, 2,062,800 florins (171,900*l.*); 1865, 1,845,600 florins (153,800*l.*), payable in India: making, in all, in 1867, 4,615,358 florins (384,613*l.*); in 1865, 3,902,221 florins (325,185*l.*). The total of Civil Pensions payable in the Netherlands on the 1st of January, 1866, was 563,822 florins (46,985*l.*), the highest being 12,000 florins, or 1,000*l.*, enjoyed by a retired Vice-President of the Council of Netherlands India. There are also on this list three retired Governor-Generals at 6,000 florins (500*l.*) a-year. I may here remark that the highest pension granted by the Netherland Government to its public servants in Europe does not exceed 4,000 florins (or 333*l.*).

Military pensions to the amount of 802,858 florins (66,905*l.*) were at the same date charged on the Indian revenue in the Netherlands, on which list four Lieutenant-Generals are borne, receiving 8,000 florins (or 666*l.*) each. The list of pensions paid in India is not given with the same detail.

The respective estimates for unforeseen expenses (section 11) are as follows:—

	1867.		1865.
	Florins.	£	Florins.
In the Netherlands	150,000	=12,500	Nil.
In India	500,000	=41,666	500,000

The introduction of a different system of accounts which has been alluded to in the former part of this Report has left certain items of the estimates for 1865 incapable of being compared with similar items for 1867. The sum of these is 4,485,102 florins (373,758*l.*), 1,643,381 florins being charges on account of Government cultures which have been suppressed, and 2,200,000 florins unforeseen expenses, which could not be distributed in 1867, conformably to the arrangement of the different chapters of the Budget of 1865. Three chapters of this Budget correspond with as many sections of that of 1867, and in those respectively the unforeseen expenses are brought under comparison.

The aggregate of the remainder of the sums estimated under this head for 1867 amount to 2,140,000 florins, against 2,210,000 florins, as above, for 1865. It is necessary to mention that these unforeseen expenses are exclusive of those charged as above under section 11.

The balance consists chiefly of items not now charged to the Indian Government.

The ways and means provided for meeting the expenditure, as above estimated, consist of revenue to be realized in the Netherlands and the revenue receivable in India. Under the former head come the sales of colonial produce transmitted from India, the produce of which is calculated for the year 1867 as follows:—

	Florins.	£
Coffee—		
850,000 piculs = 50,150,000 kilos.,		
at 40 cents per ½ kilo. .. net	39,573,418	3,297,785
Sugar—		
760,000 piculs = 42,560,000 kilos.,		
at 38 florins per 100 kilos. .. net	15,792,946	1,316,079
Tin—		
80,000 piculs = 4,840,000 kilos.,		
at 50 florins per 50 kilos., .. net	4,703,043	391,920
Nutmegs—		
3,000 piculs = 177,000 kilos.,		
at 70 cents per ½ kilo. .. net	239,547	19,962
Mace—		
800 piculs = 46,400 kilos.,		
at 80 cents per ½ kilo. .. net	71,767	5,981
Cloves—		
1,400 piculs = 82,600 kilos.,		
at 25 cents per ½ kilo. .. net	39,924	3,327
Total produce	60,420,645	
Miscellaneous receipts	91,522	7,627
Department of War	2,250	187
Department of Marine	67,000	5,583
Total to be received in the Netherlands ..	60,581,417	5,048,451

To be received in India:—

	Florins.	£
A. Farmed revenues	13,436,265	1,119,689
B. Taxes and revenue of various descriptions	17,633,322	1,469,443
C. Territorial revenue and cultures ..	13,103,149	1,091,929
D. Sale of produce and goods	14,807,224	1,233,935
E. Miscellaneous revenues	893,935	74,495
F. War Department	226,033	18,836
G. Marine Department	160,500	13,375
H. Value of materials to be furnished to various Departments	2,159,428	179,952
Total	62,419,856	5,201,654

Under the head of Farmed Revenues, opium contributes upwards of 11,000,000 florins; the remaining branches are of a very miscellaneous description, some being of the nature of direct taxes, others of taxes on consumption, and others of rent of Government property. The same may be said of the second item, which includes Customs and other duties, sales of salt (a Government monopoly); stamp, succession, and auction duties; telegraphs; post-office and post-horse revenue; besides certain direct taxes on lands, houses, and persons.

The arrangement of Class E is equally reducible to any general principle, including, as it does, the income arising from ferries, watercourses, sale and rent of houses and lands, fines and forfeitures, contributions to pension fund, school-money, repayment of advances, and various other items.

Classes F, G, and H contain items which, in point of fact, represent money refunded out of expenditure authorized and accounted for on the other side of the balance sheet; such as surplus military and naval stores sold, and goods of various descriptions issued and charged to other public departments.

The total estimated receipts for 1867 are, then:—

	Florins.
In the Netherlands	60,581,417
In India	62,419,856
Total	123,001,273

Equal to £10,250,105.

The corresponding receipts for 1865 were settled at:—

	Florins.
In the Netherlands	53,720,000
In India	62,805,769
Total	116,525,769

Equal to £9,710,481.

With respect to one class of these receipts, namely, those arising from the sale of produce, it may be observed that, independently of their liability to fluctuate with the productiveness of the season and the variation of prices, they are further likely to be affected by the increasing opposition to the system on which they rest—that of forced labour and compulsory delivery. It will be seen, too, by comparison with the accounts of former years, that

some articles of produce no longer contribute to swell the amount of this branch of the revenue. Some of the Government cultures, in fact, have been suppressed because the price of the produce fell short of the expenses of raising it; and others have been discontinued on account of the sacrifices and hardships which they imposed on the native population, notwithstanding the profit which accrued from them. Thus it has come to pass that two articles only of what is called colonial produce furnish the main part of the revenue under this head, namely, coffee and sugar. With respect to the latter, since the extent of ground from which it is raised by parties under contract with the Government is limited, and since the altered regulations prescribed for the grant of future contracts are considered so unfavourable to the prospects of the present holders that they hesitate to accept a renewal of their contracts in consideration of their subscribing to the conditions proposed to them, a scale of profits such as that hitherto realized cannot be calculated upon.

The revenue from this source, then, may be assumed to have reached its extreme limits.

The receipts in India are estimated somewhat beneath the amount calculated on for 1865; for while, on the one hand, an increase is anticipated from certain taxes which advance with the increase of population and wealth, such as the land-tax and other imposts of the like nature, stamps, auction-duties, and consumption of salt, as well as from a new system of management of the forests belonging to the State, and a large quantity of colonial produce sold in India; on the other hand, the estimate of the revenue from the opium farm is lower than for 1865, and the Customs duties under the operation of the new Tariff must be expected to fall off at first.

Making, however, every allowance for the increase which may reasonably be expected from the receipts in these two branches, and for the consideration that the actual balance of income and expenditure almost invariably presents a more favourable result than the estimate, it is highly improbable that the revenue of the Netherlands Indian possessions will continue to supply the deficiencies of that of their European dominions in as ample a manner as heretofore. Not only has the expenditure of these possessions been increasing in a proportion exceeding that of the increase of revenue, as will be seen by the Tabular

Statement which I subjoin, but it is admitted on all hands that certain reforms in the administration in India which cannot safely be long delayed, will require the application of a considerable portion of the surplus income.

The effect of the failure of this resource is already apparent in the financial statement made to the Chambers at the opening of the session last month; according to which the Minister has not only been obliged to propose the appropriation of part of the sum destined in last year's Budget for the reduction of the National Debt to other objects, but to announce that he cannot count upon any appropriation such as his predecessors have had the good fortune to provide for that purpose during the present year.

(Signed) WILLIAM R. WARD.

The Hague, October 18, 1866.

STATEMENT of the Expenditure on account of the Netherland Indian Possessions for the Years 1855–65.

	1855.	1856.	1857.	1858.	1859.	1860.	1861.	1862.	1863.	1864.	1865.
	Florins.	Florins.	Florins.	Florins.	Florins.	Florins.	Florins.	Florins.	Florins.	Florins.	Florins.
1. Appointments of Governor-General, &c.	235,000	230,000	230,000	230,000	230,000	235,000	230,000	240,000	240,000	255,000	260,000
2. High Departments of State	492,000	492,000	558,000	565,000	575,000	595,000	595,000	643,000	643,000	695,000	696,000
3. Department of Justice	725,000	732,000	743,000	855,000	864,000	901,000	950,000	1,008,000	1,046,000	1,087,000	1,114,000
4. Local Administration and Police ...	4,452,000	4,512,000	4,549,000	4,717,000	4,820,000	4,865,006	4,996,000	5,325,000	5,713,000	6,215,000	6,579,000
5. Worship, Arts and Sciences	791,000	831,000	923,000	1,025,000	1,080,000	1,171,000	1,224,000	1,341,000	1,577,000	1,708,000	1,709,000
6. Civil Public Works	2,263,000	2,726,000	3,129,000	3,111,000	3,288,000	3,316,000	3,271,000	5,580,000	6,945,000	6,845,000	6,961,000
7A. General Administration	2,511,000	2,568,000	2,743,000	3,027,000	2,810,000	2,947,000	3,362,000	3,710,000	4,301,000	5,473,000	5,517,000
7B. Agriculture, Land Revenue, and Cultures	23,509,000	25,732,000	26,138,000	26,967,000	28,728,000	29,641,000	29,453,000	31,047,000	31,842,000	30,517,000	31,215,000
7C. Purchase, &c., of Goods and Produce	5,083,000	5,248,000	6,315,000	6,403,000	6,494,000	8,677,000	7,523,000	7,726,000	6,963,000	8,576,000	11,855,000
8. War Department	11,860,000	12,292,000	11,473,000	17,157,000	18,254,000	18,751,000	19,444,000	20,664,000	20,374,000	21,085,000	21,128,000
9. Marine Department	3,100,000	2,820,000	3,178,000	3,295,000	3,982,000	4,213,000	4,695,000	6,919,000	7,042,000	7,113,000	7,160,000
10. Pensions, Half-pay, &c.	1,710,000	1,723,000	1,716,000	1,807,000	1,827,000	2,041,000	2,104,000	2,656,000	2,998,000	3,215,000	3,440,000
11. Miscellaneous	2,629,000	2,746,000	2,721,000	2,792,000	2,834,000	2,829,000	3,695,000	3,029,000	3,048,000	3,190,000	3,154,000
12. Unforeseen expenses	600,000	600,000	600,000	600,000	600,000	600,000	600,000	...	500,000	500,000	500,000
	59,966,000	63,621,000	68,023,000	72,558,000	76,392,000	80,787,000	82,147,000	90,590,000	93,239,000	96,479,000	101,294,000
Contribution from the Indian revenue to that of the Netherlands in Europe ...	26,347,000	30,331,000	41,658,000	34,355,000	32,359,000	32,994,000	18,486,000	38,387,000	30,608,000	20,942,000	18,350,000

France.

Report by Mr. Fane, Her Majesty's Secretary of Embassy, on the Commerce between Great Britain and France.

Paris, November 27, 1866.

Sufficient time has elapsed since the conclusion of our Commercial Treaty with France to enable us to form a just estimate of its practical working. It is of great importance to ascertain and establish the results actually attained, for the Treaty was in fact the initiation of a new form of policy, which proposed to establish our foreign trade upon sound foundations. So long as England was the only country which applied the principles of Free Trade in her commercial legislation, it was easy for cavillers to find or invent special and exceptional circumstances which enabled her to flourish under a system which they predicted would prove ruinous to other countries.

To win over France to the adoption of our principles, and to obtain her co-operation in extending them to other countries, were two objects of vital importance to the future prosperity of our trade. Both objects have been happily attained: for the Treaty of 1860 not only effectually broke down the ancient commercial system of France, but has led that country to make Treaties with Belgium, the Zollverein, Italy, Sweden and Norway, and Switzerland, by which large reductions have been made in the Tariffs of those countries, the advantages of which have been equally secured to British commerce either by negotiation or the antecedent right to most-favoured-nation treatment. The effect of the advantages thus secured on the trade of England alone is shown in the following Table, which refers, however, only to the special trade with Belgium, France, and Italy, it being impossible to trace it with the Zollverein and Switzerland. The aggregate value exchanged backwards and forwards is as follows :*—

* I am indebted for these Tables to the kindness of L. Mallet, Esq., of the Board of Trade.

FRANCE.

	Imports.	Exports.
	£	£
1860 ..	17,774,000	12,701,000
1861 ..	17,326,000	17,427,000
1862 ..	21,675,000	21,765,000
1863 ..	24,025,000	23,294,000
1864 ..	25,640,000	23,825,000
BELGIUM.		
1860 ..	4,079,000	3,964,000
1861 ..	3,817,000	4,914,000
1862 ..	4,876,000	4,550,000
1863 ..	5,174,000	5,059,000
1864 ..	6,410,000	5,979,000
ITALY.		
1862 ..	2,618,000	6,167,000
1863 ..	2,358,000	7,338,000
1864 ..	2,181,000	6,740,000

The above Table indicates the increase of trade secured by liberalizing the Tariffs of the three countries therein cited. The following Table shows the extent of our European trade generally, as compared with that which existed prior to the French Treaty:—

	1860.	1864.
	£	£
Imports	84,403,000	98,502,000
Exports	69,644,000	100,064,000

Let us now consider what has been the operation of the Treaty of 1860 upon French commerce; first, as regards the general trade of France with foreign countries, and secondly, as regards her special trade with Great Britain. The predictions of the French Protectionist party during the negotiation of the Treaty were of no uncertain character. They prophesied that the French market would be inundated with British manufactures, and many of the national industries of France would inevitably be ruined. It will be of considerable interest to ascertain how far these predictions have been falsified by the actual results presented by the commerce between the two countries as

indicated by statistics entirely obtained from the *French* official returns.

To begin, then, with the exports from France of objects of French manufacture generally during the period from 1859 to 1864, the returns have been as follows :—

	Francs.		Francs.
1859	2,266,400,000	1862	2,242,700,000
1860	2,277,100,000	1863	2,642,600,000
1861	1,926,300,000	1864	2,924,200,000

The year 1864 presents, therefore, an increase of 657,800,000 francs in the value of its exports over the year 1859.

If we resolve the gross returns represented by the above figures into their constituent elements, we shall find that those industries which it was supposed would suffer most severely by competition have steadily increased, and in some instances have made extraordinary progress.

The following Table exhibits the value of exports from France of woven cotton goods of French manufacture during the following years :—

	Francs.		Francs.
1859	67,200,000	1862	63,300,000
1860	69,600,000	1863	88,200,000
1861	56,400,000	1864	93,700,000

In this instance the year 1864 shows an increase of above 26,000,000 francs over 1859, an increase established in spite of all the disturbing elements introduced into the trade by the war in America.

The value of the exports from France of linen woven goods of French manufacture has been as follows :—

	Francs.		Francs.
1859	15,400,000	1862	14,700,000
1860	15,400,000	1863	19,000,000
1861	14,900,000	1864	24,500,000

The year 1864 showing in this case an increase of above 9,000,000 francs over 1859.

There was no branch of French manufacture which was supposed to be more seriously threatened by competition than the woollen industries of France. They had been almost stationary during the six years preceding 1859. The following Table will show that since that period their exportation has very nearly doubled in value :—

	Francs.		Francs.
1859	180,600,000	1862	221,700,000
1860	229,300,000	1863	293,600,000
1861	188,000,000	1864	355,900,000

The increase in the exportation of yarns is also remarkable, and is exhibited in the following Table :—

	Cotton and Woollen.	Hemp and Flax.
	Francs.	Francs.
1859 ..	6,900,000	1,000,000
1860 ..	10,300,000	2,300,000
1861 ..	7,600,000	1,600,000
1862 ..	14,200,000	3,100,000
1863 ..	17,100,000	26,600,000
1864 ..	21,600,000	21,500,000

Owing to the fact that France is more meagrely endowed than probably any other European country with the native material to enable her to support foreign competition as regards her metallic industries, it is satisfactory to observe that they give evidence of extending themselves. The export of metal goods, excluding machinery, has been as follows :—

	Francs.		Francs.
1859	43,700,000	1862	41,900,000
1860	45,700,000	1863	43,700,000
1861	39,700,000	1864	45,100,000

The following have been the exports of machinery during the same period :—

	Francs.		Francs.
1859	6,800,000	1862	8,300,000
1860	8,300,000	1863 .. .	7,500,000
1861	7,300,000	1864	9,500,000

The French Tariff of 1860 effected very considerable reductions on chemical products, notwithstanding which the exportation of these articles of French manufacture has increased very largely. Premising that the value of the exports for 1859 were very considerably in excess of the export of any previous year, the following Table will indicate the progress which has been made : —

	Francs.		Francs.
1859	32,700,000	1862	54,400,000
1860 .. .	35,400,000	1863 . ..	49,300,000
1861	36,600,000	1864	54,400,000

The following Table will show how far the reduction of

the French duties on fish has affected the export trade of that article:—

	Francs.		Francs.
1859	11,500,000	1862	11,900,000
1860	8,800,000	1863	16,100,000
1861	13,000,000	1864	15,200,000

We have now seen how far and in what direction the adoption of the principles of Free Trade has influenced the general external commerce of France. We have seen that the industries, the destruction of which was predicted, have not only maintained themselves, but have actually flourished into greater vigour and expansion since they have been exposed to the wholesome and invigorating influences of competition. If we now turn to the special export trade of France with Great Britain in the articles above specified during the same period, we shall find the results to be equally remarkable. Instead of the French markets being glutted with British manufactures, the value exported from France has very largely increased, as exemplified in the following Table:*—

	1859.	1864.
	Francs.	Francs.
Woollens	39,178,000	98,512,000
Linens	3,331,000	3,103,000
Cottons	5,742,000	12,671,000
Metal goods	4,395,000	8,912,000
Yarns	406,000	8,842,000
Earthenware, glass, &c. ..	4,398,000	5,993,000
Fish, salted, &c.	1,061,000	3,213,000

As regards our general trade with France, it is remarkable to observe the increasing proportions in which this country acts as a consumer of French produce:—

In 1861 we imported from France 38,099 head of cattle and pigs; in 1864 the amount was 65,107 head.†

In 1861 we imported 12,955,000 kilogrammes of eggs; in 1864, 22,094,000 kilogrammes.

In 1861 we imported of fruits, &c., 8,635,000 francs; in 1864 we imported 15,258,000 francs.

* I am indebted for these Tables and much useful information, to the kindness of W. M. Bucknall, Esq., of the Board of Trade.

† These figures are taken from an able article in the January number of the "Journal de la Société de Statistique de Paris" of this year. The figures for the year 1864 having been taken from preliminary Returns, represent in every case a less amount than that actually exported.

In 1861 we imported 22,000 metrical quintals of vegetables; and in 1864 we imported 115,000 metrical quintals.

In 1861 we imported 78,000 hectolitres of brandy and other spirits; and in 1864, 148,000 hectolitres.

In 1861, we imported 118,000 hectolitres of wine; and in 1864, 156,000 hectolitres.

In 1861 we imported 7,167,000 kilogrammes of salted butter; and in 1864, 10,750,000 kilogrammes.

The value of French exports to Great Britain in 1863, in the specified articles, was as follows:—

	Francs.
Wine	33,073,000
Brandy and Spirits	38,834,000
Butter	20,264,000
Eggs	22,954,000
Cereals	21,024,000
Seed-grain	7,412,000
Raw sugar (native)	5,933,000
Refined sugar	6,622,000
Vegetables	4,871,000
Cattle of all kinds	5,205,000

The following Tables show the import and export trade between France and England during the years specified:—

Table 1.—Importation into France.

	1859.	1862.
	Francs.	Francs.
Provisions	12,208,000	25,110,000
Raw materials	249,958,000	401,006,000
Manufactures	16,059,000	99,540,000
Totals	278,225,000	525,656,000

Table 2.—Exportation from France.

	1859.	1862.
	Francs.	Francs.
Raw produce	282,201,000	261,759,000
Manufactures	309,076,000	357,766,000
Totals	591,277,000	619,525,000

Table 3.—Importation into France.

	1863.	1864.
	Francs.	Francs.
Provisions	33,937,000	26.935,000
Raw materials	475,532,000	461,970,000
Manufactures	83,177,000	89,803,000
Totals	592,646,000	578,708,000

Table 4.—Exportation from France.

	1863.	1864.
	Francs.	Francs.
Raw produce	333,169,000	382,467.000
Manufactures	466,445,000	521,974,000
Totals	799,614,000	904,441,000

The exportation from France suddenly retrograded in the year 1861–62, owing to causes connected with the civil war in America, but show a large increase in the following years.

In the exports from Great Britain for consumption in France, cotton and woollen manufactures, iron and other metals, as well as the raw materials for manufactures, showed a large increase up to the year 1862. This was a natural consequence of the removal of the large protective duties on the chief of these articles, and of the prohibitory duties on manufactures; but in 1863 the increase on some of these articles was changed into a positive decrease.

According to the Returns of the Board of Trade, the total value of the exports of produce of the soil and manufactures from the United Kingdom into France rose from 119,000,000 francs in 1859, to 230,500,000 in 1862, thus doubling themselves in four years, but retrograding in the following year to 216,500,000 francs. The French manufacturers have therefore had no great reason to complain of the much-apprehended invasion of the French market by British goods, and they are beginning to feel how unfounded were the apprehensions of ruin which they once entertained from the anticipated effects of a liberalized tariff.

The effects of the Treaty have been very observable in the transit trade of this country with France. Cotton,

Chinese silks, colonial wools, and coffee are the principal articles in this trade; and it is more and more evident that London and Liverpool are becoming the chief markets of supply to France of the products of other countries.

As regards the French exports to Great Britain, the increase of trade has chiefly reference to manufactured articles. Woollen goods especially show a marked progress; the manufactory of Roubaix, being one of those which, having most feared English competition, have derived the greatest advantage from English custom.

Similar progress has been made in various articles of clothing in the special manufactures of Paris; in gloves, hosiery, clocks, bronzes, porcelain, glass, &c. The exportation of silks destined in part for the United States was much affected by the American war. As regards the cotton industry, we have already seen that it made satisfactory progress. It had been protected from excessive competition by the long-continued crisis in the cotton market; and in the meantime the French manufacturers have been enabled to improve all their machinery by reason of increased facilities for the importation of iron and machinery. The exports of brandy and of wine have not increased quite in proportion to the expectations of French growers, but it is supposed, perhaps with justice, that the habits of a people are never suddenly changed, and that it will require time to familiarise the great body of the English people with the ordinary growths of French vineyards, which it is hoped may some day form to some extent a substitute for the malt beverages which are so largely consumed in England.

Let us now consider the facts most prominently illustrated by the preceding Tables. From 1859 to 1862 the imports into France from Great Britain rose from 278,225,000 francs to 525,656,000 francs, showing an increase of 247,431,000 francs, or 88·93 per cent. In the same period the exports from France to Great Britain rose from 591,277,000 francs to 619,525,000 francs, showing an increase of 28,248,000 francs, or of only 4·78 per cent. Thus we see that the first effect of the Treaty was to give an enormous impulse to the import trade from Great Britain, while the export trade from France showed only a very small increase. But in 1863 the imports into France from Great Britain rose to 592,646,000 francs, showing an increase of 66,990,000 francs, or of 13 per cent., over the

preceding year; while the exports from France to Great Britain rose to 799,614,000 francs, showing an increase of 180,089,000 francs, or of 29 per cent., over the preceding year. Again, in 1864 while the imports into France from Great Britain fell to 578,708,000 francs, showing a decrease of 13,938,000 francs, or of 2 per cent., on the preceding year, the exports from France to Great Britain rose to 904,441,000 francs, showing an increase of 104,827,000 francs, or of 13 per cent., over the preceding year. It would appear by this calculation that after the first grand effect of the Treaty, the exportation from France was increased five times more rapidly than the importation from England.

These calculations refer to the general sum of French exports and imports. If we consider the trade in natural produce alone, the facts are these:

From 1859 to 1862 the importation into France from Great Britain rose from 262,166,000 francs to 426,116,000 francs, showing an increase of 163,950,000 francs, or of 62.53 per 100. In the same period the exportation from France to England fell from 282,201,000 francs to 261,759,000 francs, showing a decrease of 20,442,000 francs, or of 7·24 per cent. But in 1863, while the imports from Great Britain into France rose to 509,469,000 francs, showing an increase of 83,353,000 francs, or 19·5 per cent., over the preceding year, the exportation from France to Great Britain rose to 333,169,000 francs, showing an increase of 71,410,000 francs, or of 27·2 per cent., over the preceding year. In 1864 the imports into France from Great Britain fell to 488,905,000 francs, showing a decrease of 20,564,000 francs, or of 4·0 per cent. on the preceding year; while the exportation from France to Great Britain rose to 382,467,000 francs, showing an increase of 49,298,000 francs, or of 14·8 per cent., over the preceding year. It follows, therefore, that since 1862 the imports into France from Great Britain increased only in the ratio of about 7 per cent. per annum, while the exports from France to Great Britain increased in the ratio of 23 per cent. per annum.

As regards the exchange of manufactures between the two countries, it appears from the Table compiled by M. Vogel that from 1859 to 1862 the imports into France from Great Britain rose from 16,059,000 francs to 99,540,000 francs, showing the enormous increase of 83,481,000 francs. or of 522 per cent.; while the exports

from France to Great Britain in the same period rose only from 309,076,000 francs to 357,766,000 francs, showing an increase of only 48,690,000 francs. This disproportion is explained by the very small quantity of manufactured articles which Great Britain sent to France previous to the conclusion of the Treaty. In the following year, however, the importation into France from Great Britain fell to 83,171,000 francs, showing a diminution of 16,363,000 francs, or of 16·4 per cent., on the preceding year; while the exportation from France to Great Britain rose to 466,445,000 francs, showing an increase of 108,679,000 francs, or of 30·4 per cent. In 1864 the importation into France from Great Britain rose to 89,803,000 francs, showing an increase of 6,626,000 francs, or of 8·0 per cent., over the preceding year; and the exportation from France to Great Britain rose to 521,974,000 francs, showing an increase of 55,529,000 francs, or of 15·8 per cent. This shows a diminution of 4·9 per cent. per annum on the imports into France from Great Britain, and an increase of 25·9 in the exports from France to Great Britain.

As a general conclusion, the Tables for 1864 show that France sent to England rather less natural produce than she received from her, while she sent nearly six times as much manufactures as she received. They indicate further, that while the general imports into France from Great Britain, which increased so suddenly and so largely after the conclusion of the Treaty, showed a tendency to remain stationary and even to diminish, the exports from France to Great Britain manifest a large and steady increase. These facts furnish at once the best answer to the objections raised against the Treaty by the French Protectionists, and the best refutation of the dark prophecies to which they gave expression.

We have seen that the export trade of this country with France has been subject to fluctuations, and it is satisfactory to observe that, according to the latest returns, it gives evidence of healthy expansion. The declared value of British exports to France in 1865 was 9,062,095*l.*, while the return for nine months of the current year shows already a total of 8,598,242*l.* These amount are of course exclusive of the foreign and colonial exports to France, the returns of which are only made up at the end of the year. In 1865 they valued 16,292,977*l.*

(Signed) JULIAN FANE.

REPORTS

BY

HER MAJESTY'S SECRETARIES

OF

EMBASSY AND LEGATION,

ON THE

MANUFACTURES, COMMERCE, &c.,

OF THE

COUNTRIES IN WHICH THEY RESIDE.

Presented to both Houses of Parliament by Command of Her Majesty.
March 1867.

LONDON:
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1867.

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Argentine Republic.

Reports by Mr. Ford, Her Majesty's Secretary of Legation.

Report on the Financial Condition of the Argentine Republic.

THE revenue of the Argentine Republic during the year 1865 amounted to the sum of 1,659,014*l.* 5*s.* 1*d.*, or 18 per cent. higher than on the preceding year.

The principal source of income is derived from the Custom-house duties; those levied on importations averaging this year 23 per cent., and those on exportations 10 per cent.

The import duties levied during the year 1865 show an increase of 25 per cent., and the export duties 7½ per cent. over those levied in 1864.

Official financial accounts are made up in hard dollars. One hard dollar may be calculated as being equal to four shillings.

The revenue and expenditure of the Argentine Republic during the two years 1864-1865 were as follows:—

Years.	Revenue.			Expenditure.		
	£	*s.*	*d.*	£	*s.*	*d.*
1864	1,401,065	12	6	1,235,878	13	9
1865	1,659,014	5	1	1,375,235	13	2

The sources from which the revenue during the year 1865 was derived, and the expenditure, as authorized by the Budget, are shown in the subjoined Table;—

REVENUE.

	£	*s.*	*d.*
Imports	1,064,360	9	7
Exports	476,185	16	4
Warehouse and wharfage	29,591	19	6
Stamps	22,416	15	9
Post Office	10,232	14	9
Property tax	30,388	14	1
Mines	280	7	1
Via del Riachuelo	2,627	19	1
Miscellaneous	22,929	9	2
Total	1,659,014	5	4

EXPENDITURE.

	£	s.	d.
Ministry of Interior	175,820	2	2
,, Foreign Affairs	14,435	10	10
,, Finance	258,243	19	4
,, Justice	63,202	5	5
,, War and Marine..	439,269	13	10
Public Debt	424,264	1	7
Total	1,375,235	13	2

The following are some of the items of expenditure :—

	£
Salary of his Excellency the President of the Republic	3,386
Salary of his Excellency the Vice-President	1,505
Salary of five Ministers of State (at 1,317*l.* 12*s.* each)	6,588
Expenses of the National Congress, including the salary of twenty-eight senators (16,261*l.*), and of fifty deputies (28,018*l.*) ..	53,214
Expenses on account of the Diplomatic service, including the salary of three Ministers (4,753*l.*), and three Secretaries (988*l.*) ..	11,226
Salary of the Bishop of Buenos Ayres	720
Expenses on account of the Police service	22,426
,, ,, Post Office	10,523
,, ,, Public Instruction	7,032
Subsidies given by the National Government to the Provinces ..	40,000

The debt of the Argentine Republic, both internal and external, amounted at the beginning of October of the present year to the sum of nearly 6,500,000*l.* sterling. It is distributed in the following manner :—

INTERNAL DEBT.

	$17 per oz.	$16 per oz.	£ sterling.
1. Consolidated Debt in Public Funds of 6 per cent. and 1 per cent. Sinking Fund according to law of November 16, 1863—			
Original amount emitted	11,784,200	11,091,011	2,218,202
Paid off	783,200	737,129	147,425
Actual circulation	11,001,000	10,353,882	2,070,777
2. Consolidated Debt in Public Funds of 6 per cent. and 2½ per cent. Sinking Fund as per law of October 1, 1860—			
Emitted	2,842,000	2,674,823	534,965
Paid off..	201,000	189,176	37,835
Actual circulation	2,641,000	2,485,647	497,130
3. Internal Debt to the Province of Buenos Ayres recognized by the National Government—	Moneda Corriente 25 per $.	Pesos fuertes.	
A. Public funds of 6 per cent. created by law of May 5, 1859—			
Emission	20,000,000	800,000	160,000
Paid off	9,095,192	363,808	72,761
Actual circulation	10,904,808	436,192	87,239

	Moneda Corriente 25 per $.	Pesos Fuertes.	£ sterling.
a. Public Funds created by law of June 8, 1861	24,000,000	960,000	192,000
Paid off	3,780,000	151,200	30,240
Actual circulation	20,220,000	808,800	161,760
c. Public Funds created by law of January 20, 1862—			
Emitted	50,000,000	2,000,000	400,000
Paid off	6,500,000	260,000	52,000
Actual circulation	43,500,000	1,740,000	348,000
		Dollars. c.	
4. Recognized debt to foreign subjects		230,540 25	46,108
Paid off.		136,279 49	27,256
Actual debt	..	94,260 76	18,852

FOREIGN DEBT.

1. English loan to the Province of Buenos Ayres; original stock 6 per cent.	..	£ sterling. ..	£ sterling. 1,000,000
Paid to December 1865	..	..	71,100
In circulation	..	..	928,900
Deferred stock, 3 per cent.. ..	..	1,641,000	
Paid to December 1865	..	439,300	
In circulation	..	..	1,201,700
Together	..	..	2,130,600
2. Brazilian debt—		Dollars c.	
Capital and interest	..	1,321,130 0	264,226
Paid off	..	178,425 0	35,685
Balance	..	1,142,705 0	228,541
3. Debt contracted by Minister Riestra London—			£ s.
Remitted from London.. ..	..	2,602,675 95	520,535 4
4. Foreign debt contracted by the Government of Paraná in 1858—	$17 per oz.		£ sterling
Emission	2,931,290	2,758,861 0	551,772
Paid off	629,333	592,314 0	118,463
In circulation	2,301,957	2,166,547 0	433,309

RECAPITULATION.

	£	s.
1. Public Funds of 17 dollars per doubloon	2,567,907	0
2. Public Funds of paper currency of Buenos Ayres ..	596,998	0
3. Debt to foreign subjects	18,852	0
4. English loan to Province of Buenos Ayres, recognized by National Government	2,130,600	0
5. Debt to Brazil	228,541	0
6. Debt contracted by Señor Riestra	520,535	4
7. Foreign debt contracted by Paraná Government 1858, 17 dollars per doubloon	433,309	0
Total	6,496,742	4

The statement above made of the revenue of the Argentine Republic refers especially to that of the national or general government of the Republic which is called upon to defray the expenses of the army and navy, of the Foreign Department, and to meet other obligations imposed upon it by the general constitution of the Republic.

Each of the fourteen provinces of the Argentine Republic has a revenue of its own, which is derived by the imposition of local taxes on the inhabitants.

The Province of Buenos Ayres (by far the most important one of the whole Confederation), requires annually about 400,000*l.* to meet the expenses of its Government, Law Courts, Chambers, Militia, country schools (the number of which last year in the province amounted to 274), the University, Academy of Medicine, Museum, Library, &c., and also the interest of its public funds.

During the last financial year, the Province of Buenos Ayres obtained this sum from the following sources:— 200,000*l.* being the amount of a subvention, or grant, agreed to from the National Government; 50,000*l.* from stamp duties; 30,000*l.* from a property-tax; 20,000*l.*, sale of public lands; 15,000*l.*, duties levied on the slaughtering-houses; 10,000*l.*, duties on lotteries; 15,000*l.* from minor sources, and the sums of 60,000*l.* being a surplus from previous years.

The Municipality of the town of Buenos Ayres expends about 150,000*l.* annually in public schools, hospitals, lighting, cleaning and paving, and other public works of the town deriving its revenue from special rates and taxes levied on the inhabitants of the city and from a duty on the lottery.

(Signed) FRANCIS CLARE FORD.

Report on the Commercial Condition of the Argentine Republic.

THE present Report, being the first that has been addressed to Her Majesty's Principal Secretary of State for Foreign Affairs by any Secretary of Her Majesty's Legation in the Argentine Republic, has been drawn up at considerable length; but it has been hoped to supply some additional information to that at present existing concerning this interesting country; a country which, no one who has

visited it, can doubt is destined at some future day to occupy a high place in the list of nations.

The Report is divided under the following nine heads :—

1. Preliminary remarks.
2. Commerce : Imports and exports.
3. River-Plate Beef.
4. Shipping.
5. Immigration.
6. Railways.
7. Mines.
8. Colonies.
9. Sheep farming, and profits to be derived from it.

1. *Preliminary Remarks.*

Few countries possess such natural advantages as those of the Argentine Republic. Endowed with a salubrious climate, its rich soil is capable of producing, at a very moderate outlay of labour, all the necessaries and comforts of life; but the apathy of the native inhabitants, and a marked disinclination to embrace any novel branch of industry present a serious obstacle to the development of the country's resources; and, as it is as yet but little resorted to by the emigrant, the stroke of the axe and the clatter of the mill are sounds of very uncommon occurrence. Countless herds of cattle, and flocks of sheep roaming on the vast plains of the Pampas alone attest to the wealth of the land, and form, by their hides and wool, its principal staple of commerce. Scantiness of population, and deficiency of means of internal communication are the two pressing drawbacks to the development of the Republic; and until a decided tide of immigration sets in, and the energies of the native population are diverted from politics and fighting to peaceful pursuits, and until difficulties are removed from the path of such foreigners as may be willing and capable of devoting their time and money to the construction of railways, but little prospect can be held out of any material change for the better in the condition of the country.

Fifty years ago the Argentine Republic was comparatively unknown to, and still less visited by, foreigners; but the introduction of steam communication, and the establishment of European settlers have begun to work a great change in the habits of the people, and created new wants, for the supply of which the Republic at present depends

solely on the industry of foreign markets. Nevertheless, were the capabilities of the vine-growing districts of the Provinces of Mendoza and San Juan developed, the wines of France, Spain, and Italy, would not attain to so high a figure in the list of importations. Sugar, rice, and tobacco from Tucuman, "the garden of South America," could more than replace the present supply of those articles now imported from the Havannah and Brazils. Were the fertile soil of the Provinces of Cordova and Catamarca made to yield its fruits, no extra wheat would be required from Chile; and cotton planted in Corrientes and Catamarca, and on the Islands of the Parana would form a valuable article of export, whilst the mineral riches of the Andine Provinces, if properly utilized, would prove a source of incalculable wealth.

So little is generally known of the early history of this country, beyond the fact of its having belonged to the Crown of Spain, that the following brief sketch may not be devoid of interest:—

The Spanish dominions in South America were at one time comprised in the Vice-royalty of Peru; but in 1718 a second Vice-royalty was established, embracing the Provinces of Quito, Popoyan, Choco, with the region called Terra Firma, and the capital was fixed at Santa Fé de Bogota. Out of the Provinces of this second Vice-royalty a third Government was subsequently created, with the capital at Caracas; and the Republic of Chile was formed into a separate Captain-Generalship.

In 1778, a further subdivision was made, and the Vice-royalty of Buenos Ayres was established. All the Spanish possessions to the east of the Andes were to be comprised in this Vice-royalty.

The following were the provinces included in it:—

1. The Province of Buenos Ayres, the capital of which was the city of that name, and which included the Spanish possessions now forming the Republic of the Uruguay, as well as the Argentine Provinces of Buenos Ayres, Santa Fé, Entre Rios, and Corrientes.

2. The Province of Paraguay, the capital of which was Assumption.

3. Tucuman, the capital of which was St. Jago del Estero, and which included what are now the Argentine Provinces of Cordova, Tucuman, Salta, St. Jago, Catamarca, Rioja, and Jujuy.

4. Potosi, which now forms the Republic of Bolivia.

5. Cuyo, the capital of which was Mendoza, and in which were comprehended the present Argentine Provinces of St. Luis, Mendoza, and San Juan.

Since the emancipation of the Spanish Colonies, the following four independent States have been formed out of the ancient Vice-royalty of Buenos Ayres, viz. :—

1. The Republic of the Uruguay; capital at Montevideo.

2. The Republic of Paraguay; capital at Assumption.

3. The Republic of Bolivia; capital at Sucre.

4. The Argentine Republic; capital at Buenos Ayres.

Extent and Population.—The superficial extent of the Argentine Republic was estimated in 1864 at 515,700 square miles, with 1,465,000 inhabitants, or 2 to the square mile—a small population, even if compared with that of other South American countries; Brazil, for instance, having 3, Peru 6, and Chile 7; and scanty indeed by the side of such States as France, which has 176, England, which has 347, and Belgium, which has 440 inhabitants to the square mile.

The following Table contains a list of the fourteen provinces actually composing the Argentine Republic, the number of inhabitants to each, and their superficial extent:—

Provinces.	Population.	Square Miles.
Littoral or Riverine—		
Buenos Aires	450,000	63,000
Santa Fé	45,000	18,000
Entre Rios	107,000	45,000
Corrientes	90,000	54,000
Provinces contiguous to the Andes—		
Rioja	40,000	31,500
Catamarca	97,000	31,500
San Juan	70,000	29,700
Mendoza	58,000	54,000
Central Provinces—		
Cordova	140,000	54,000
San Luis	58,000	18,000
Santiago	90,000	31,500
Tucuman	100,000	13,500
Northern Provinces—		
Salta	80,000	45,000
Jujuy	40,000	27,000
Total	1,465,000	515,700

The unsettled territories of the Gran Chaco and Patagonia extend over 621,000 square miles, with a computed population (Indian) of 86,000 souls.

Some idea may be formed of the immense extent of the Argentine Republic from the fact that one half of it only, namely the settled territory, exceeds in size the whole of Great Britain and Ireland, France, and Spain put together.

The Government of the Argentine Republic is based on the federal system.

Each province or state has its own respective Governor and Legislature, on the model of the United States of Northern America.

The authority of the general National Government is to a certain extent circumscribed, being limited to that exercise of sovereignty only which each respective province or estate has thought proper to divest itself of by granting express delegation for the purpose.

2. *Commerce.*

Importations.—Buenos Ayres, the capital of the province of that name, and the temporary residence of the National Government, is by far the most thickly populated, flourishing, and important town of the whole Republic, a position it owes not only to its geographical situation near the mouth of the River Plate, but also to the vast foreign interests centered in it, and to its being the head-quarters of the principal foreign merchants residing in this country.

The total official value of the goods introduced into the port of Buenos Ayres during the year 1865 amounted to a value of 5,420,603*l.* 8*s.*, being an increase of 24 per cent. on that of the preceding year; whilst the value of exports amounted to 4,399,355*l.* 8*s.*; showing an excess of 16½ per cent. over 1864. The difference in favour of imports over exports was 1,021,248*l.* It is proper to observe, however, that the value given to the imports is not their cost price in the countries from which they are imported, but it is their valuation in these markets, inclusive, besides their original cost, of all charges that have been incurred on their account.

Owing to the existence of a defective administration, it has hitherto been found impossible to collect and publish official returns of the exact mercantile transactions carried on in the interior provinces, to be issued simultaneously

with those emanating from the National Custom-house of Buenos Ayres.

A comprehensive and complete knowledge cannot be obtained of the whole commercial transactions carried on during the year by the Republic.

In speaking of the imports and exports of this country, it should be premised that they more especially refer to the Province of Buenos Ayres and its transit land trade with the other Argentine Provinces.

Next in rank to the port of Buenos Ayres come those of Rosario, Corrientes, Uruguay, San Nicolas, and Gualeguaychú.

If 30 per cent. be added to the total of imports and exports from Buenos Ayres for the direct transactions of those ports carried on with foreign countries without passing through Buenos Ayres, and also on account of the trans-Andine commerce of Mendoza, San Juan, and Salta, a tolerably correct estimate may be formed of the external commerce of this country.

The principal goods imported into Buenos Ayres may be classified in the following manner:—provisions, drinkables, textile fabrics, articles used for shipping, ironmongery.

These articles, the first two excepted, with tea, tin, coal, and beer, and ready-made clothes, form the chief imports from Great Britain; from France, wine, brandy, haberdashery, articles of dress, and refined sugar are sent; Spain supplying wine, salt, oil, and paper; Portugal, salt; Italy, oil, maccaroni, wine, rice, and paper; Germany, cotton and woollen goods, rice, spirits, and ready-made furniture; Holland, sugar and gin; Brazil, yerba maté, sugar, spirits, and tobacco; Cuba, sugar and spirits; Chile sends cereals; and from the United States of Northern America, kerosene and the pine wood used in this country are obtained.

One of the most important articles of commerce, after French and Spanish wines and cotton goods from England, is "yerba maté" from Brazil and the Republic of Paraguay. This plant is of as general use amongst the native population of this portion of South America as tea is in England.

Imports from England.—The value of merchandize imported last year from England amounted to 1,601,321*l.*, or 46 per cent. more than in 1864.

A remarkable increase in the trade in textile fabrics

has taken place, showing in these articles alone an augmentation of 59 per cent. over the similar imports of the preceding year.

The value of these goods was estimated at 871,119*l.*, and formed nearly half the total amount of British imports to this country.

The following list will show the value of the several British textile fabrics introduced here last year:—

	£		£
Cotton goods ..	157,792	Linen goods ..	104,593
Woollen	152,854	Flaxen „ ..	48,653
Calicoes, shirtings, &c.	147,519	Silk „ ..	12,205
Chintzes	132,707		
Mixed stuffs ..	114,796	Total ..	871,119

The articles next in importance are: Ironmongery, for a value of 100,000*l.*; railway materials, 80,000*l.*; iron in bars, 50,000*l.*; ready-made clothes, 65,000*l.*; beer, exceeding 1,250,000 bottles, of a value of 40,000*l.*; and the sum total is made up by coals, saddlery, paints, haberdashery, and tea.

According to the official returns of the Custom-house, 31,674 tons of coal, valued at 74,436*l.*, were introduced last year into the port of Buenos Ayres. Of this amount, 26,000 came from England, being in excess of the quantity sent on the preceding year by 3,000 tons, and 8,000 tons more than were imported from that country in 1863.

The above figures, however, fall short of the actual amount of coal imported into this country, a large proportion of which is admitted free of duty for the use of the railways, gas-works, and river steam-navigation, and consequently does not appear in the return-list.

The average price at which coal is retailed in the city of Buenos Ayres varies from 3*l.* to 7*l.* per ton.

By a reference to the commercial returns of a few years back—those of the year 1856, for instance—it is seen what an excellent market England is establishing for herself in this country. In that year British textile fabrics imported were valued at little over 250,000*l.*, or 218 per cent. less than that sent last year; whilst the total amount of all British imports to this country did not exceed, that year, a value of 436,000*l.*, or 276 per cent. less than the value imported in 1865.

Imports from France.—The productions of France, which take the next place to those of England in the

return-list of imports, amounted last year to 1,334,393*l.* in value, being 54 per cent. higher than those of 1864, but being about 20 per cent. less than those sent by England in 1865.

The augmentation in the amount of French woollen goods imported is very remarkable, showing an increase of 65 per cent. last year over the preceding one. The value of these fabrics imported in 1856 hardly exceeded the sum of 38,000*l.*, against 164,288*l.* last year, a difference of 392 per cent. on the ten years. The increase on English woollen goods during the same time was only 108 per cent., and French woollen goods imported into Buenos Ayres last year exceeded by 7 per cent. those shipped from England. This result is partly due to the fact that a considerable amount of woollen goods are dispatched from Germany to the port of Havre in transit to Buenos Ayres, where they figure in the returns as French woollen goods.

The import of cotton goods from France also shows an augmentation of 46 per cent. in 1865 over that of the preceding year; but England holds her ground in the greater supply of this particular article, 231 per cent. more cotton goods having been imported into Buenos Ayres last year from that country than from France. Nevertheless, France is improving her trade in these fabrics; for, whilst the increase on the part of England since 1856—ten years—has only been at the rate of 2 per cent. annually, that of France has been upwards of 6.

French mixed stuffs (wool and silk) are finding a good market here. Their value imported into Buenos Ayres last year was 43,000*l.*, or 11 per cent. more than that of similar goods imported in 1864—116 per cent., however, less value than what came from England in 1865.

The value of linen fabrics imported from France to this country amounted last year to 13,399*l.*, or 209 per cent. over that of 1864. The value of flaxen goods was 13,000*l.*, and of silken goods for a value of 14,300*l.*, or nearly half the amount introduced here in 1864.

This sudden falling off in an article pre-eminently of French industry can only be accounted for by certain items not figuring in the returns of the imports, and it would appear that no small amount of smuggling is carried on in this particular article.

In wine and brandy, however, consists the chief com-

merce of France with this country, and the total value of these sent last year amounted to 275,326*l.*

The rapid development of the taste for foreign wines and spirits is very remarkable. Not 30 years ago some difficulty was found by a merchant here in disposing of a single cargo of French wines; whilst at the present day over 60,000 hogsheads are annually consumed in the province of Buenos Ayres alone.

Wines, too, from Spain and Italy, and spirituous liquors from Germany and Holland, are imported to an enormous amount. The total value of beverages introduced last year into the Argentine Republic exceeded 800,000*l.*; but it is right to remark that the rate at which the consumption of such articles is increasing is partly due to the vast augmentation in the foreign population of this country.

Articles of haberdashery of a value of 128,000*l.* were imported last year from France, against 36,613*l.* of the same articles sent by England. This fact shows an appreciation of the superior taste displayed by the French, as compared with the English, in these articles, which are chiefly parts of female attire.

Ready-made clothes of a value of 75,000*l.*, hats, sandals, and furs (upwards of 30,000*l.* value of each), together with ironmongery, refined sugar, and eatables, constitute the total of the principal mercantile dealings of France with the Argentine Republic.

Imports from Brazil.—Brazil ranks next to England and France in the value of her imports to this country, which amounted last year to 474,209*l.*, or 28 per cent. higher than 1864, and consist principally of "yerba maté," sugar, and a spirit made from the sugar-cane, and called "caña." Brazilian "yerba maté" is less esteemed than, and fetches one-third the price of, that grown in the Republic of Paraguay. Sugar of a value of upwards of 100,000*l.*, tobacco, and cedar-wood, which is greatly used for building purposes, form the other chief exports from Brazil; the amount of the total value last year being made up by articles of European manufacture which were shipped to this port.

Imports from United States.—The trade from the United States of Northern America occupies the fourth place in the Argentine import returns, and amounted last year to a value of 322,816*l.*, or a small increase of 2 per

cent. on that of the preceding year. Indeed, the trade with the United States has remained almost stationary during the last ten years.

As much as 130,000 barrels of flour were formerly exported annually to Buenos Ayres; but latterly the supply has not been required, owing to the increased cultivation of wheat in this country. The withdrawal of so important an item of commerce has, however, been counterbalanced by the extra demand for North American pine-wood, of which double the quantity has been imported here within the last ten years. The greatly-increased demand for this article is a striking proof of the rising prosperity of the Argentine Republic, being, as it is, an evidence both of the development of house-building and of the augmentation of sheep and cattle in the country, for the latter necessitate each year a larger supply of wood for the construction of sheds and other appurtenances required for sheep-farming. The total value of North American imports to this country last year was made up principally by the following articles: Pine-wood, upwards of 26,000,000 feet, and other woods of an aggregate value of upwards of 170,000*l.*; 225,000 gallons of kerosene, valued at 20,000*l.*; and a considerable amount of ironmongery, tobacco, and railway materials.

Imports from Spain.—Spain, owing to her immense trade in wines, occupies the fifth place in the list of importers into this country; the total value sent by her in 1865 being 267,087*l.*, or 3 per cent. decrease on that sent in the previous year. Upwards of 182,000*l.* of this sum was for drinkables alone; eatables, salt, and oil forming the other chief articles of her commerce.

The oil trade from Spain shows a tendency to cede its place to the oil produced in Italy. Ten years ago the respective values of imports of that article from the two countries stood thus: Spain, 11,862*l.*, Italy, 11,813*l.*; nearly equal; whilst last year Spain exported to the value of 12,481*l.*, but Italy to that of 51,363*l.*

Imports from Cuba.—Imports from Cuba amounted last year to upwards of 72,000*l.*, or 12 per cent. higher than in 1864; of which the sum of upwards of 50,000*l.* is for sugar; spirits and tobacco making up the balance.

Imports from Italy.—The value of imports from Italy amounted last year to 252,254*l.*, or 16 per cent. higher than in 1864; of which wine for a value of upwards of

37,000*l.* was sent; oil, vermicelli, rice, and paper making up the other articles of her trade with this country; that in paper, mostly of a description used for packing and making cigarettes, being very considerable, and the amount imported has doubled within the last 10 years.

Imports from the Republic of Uruguay.—The neighbouring Republic of the Uruguay takes the seventh place amongst the importers into this country. The value sent last year was 241,171*l.*, or 17 per cent. less than in 1864. The principal items of her contributions are not of native produce, but consist of "yerba maté," in transit from Brazil, and of textile fabrics of European origin; for the principal foreign merchants of Buenos Ayres have branch mercantile houses at Monte Video, from which they are in the habit of obtaining articles required in the market here, and which they may have in their stores at Monte Video.

Imports from Germany.—The value of imports from Germany comes next in order, and amounted last year to 221,474*l.*, or 26 per cent. in excess of that of the previous year. This sum is made up in the following manner: woollen and cotton goods 34,000*l.*, brandy 28,000, and 15,000 of gin and liqueurs, besides a quantity of furniture, rice, haberdashery, saddlery, and last though not least in importance, by 237 fine breeding rams, valued at 5,203*l.*

The traffic carried on with the other thirteen provinces of the Argentine Republic, figure in the official returns for a value, last year, of 203,888*l.*, or 88 per cent. less than in the preceding year. The articles consist chiefly of cereals, wood, fruit, and tobacco.

Imports from Holland.—The imports from Holland to this country take the tenth place with regard to value, and amounted last year to 158,572*l.*, or 30 per cent. higher than in 1864, which augmentation is mainly due to the increased consumption of sugar and gin, 69,000*l.* worth of the former, and 46,000*l.* of the latter article, were consumed last year.

Brandy, cigars, and cheese, with rice and coal, make up the total of the trade.

Imports from the Republic of Paraguay.—The imports from the Republic of the Paraguay follow next in importance, and amounted to 133,307*l.* for the last year, or 44 per cent. less than in 1864.

The imports consist of upwards of 256,000 lbs. weight of yerba maté, valued at 85,000*l.*; of nearly 2,000,000 lbs.

weight of tobacco, valued at 42,000*l.*; and of a considerable amount of wood and spirits.

All further supplies from that country are, however, temporarily stopped on account of the war at present being waged against that republic.

The other nations which supply the Argentine Republic, and which remain to be noticed are as follows:—

Imports from Belgium.—Belgium, value of imports 81,588*l.*, or 16 per cent. higher than in 1864; the chief trade consists in ironmongery, crockery, zinc, linen fabrics, and haberdashery.

Imports from Chile.—Chile, value of imports 9,818*l.*, or 172 per cent. decrease on the imports of the preceding year. The chief trade with Chile consists in cereals, which as they are every day becoming more cultivated in this country, would account for the decrease of mercantile transactions between the two Republics, moreover Chilean trade may have been prejudicially influenced by the late hostilities with Spain.

Imports from India.—India, value of imports 31,655*l.*, or 55 per cent. higher than in 1864.

The trade consists principally in tea, silks, straw matting, greatly used for carpeting, furniture, fireworks, and eatables.

The value of tea imported amounted last year to 14,000*l.*, against 5,000*l.* ten years ago.

The sum of 8,835*l.* figures in the list of imports as the value of merchandize from places not specified, and consist principally of eatables and coal, both of which are of European origin.

Imports from Portugal.—Portugal is the last country on the list, 5,508*l.* being the amount of value of her contributions to the Buenos Ayrean market.

Salt from St. Ubes, and a small quantity of port wine, are the principal articles imported.

Thus the value of imports last year from Europe amounted to 3,931,031*l.*; those from America to 1,457,817*l.*; and those from Asia to 31,755*l.*; making a total of 5,420,603*l.*; and showing an increase on the previous year of imports from Europe of 39 per cent.; from Asia 56 per cent.; but on those from America a decrease of 5 per cent.

Five years ago the value of merchandize imported from England into Buenos Ayres amounted to 857,898*l.*, or nearly

half that of last year. The trade from France and the Brazils has likewise doubled in the same time; whilst that from Italy, Holland, and more especially Portugal, has more than done so; but Spain, the United States of Northern America, and Germany, have not materially improved their commercial relations with this country.

The different classes of articles imported last year, may be summed up in the following manner:—

COMPARATIVE STATEMENT of Goods imported into Buenos Ayres during the years 1864-65.

	1864.			1865.		
	£	s.	d.	£	s.	d.
1. Different tissues; principally woollen and calicoes ..	1,002,915	4	0	1,412,739	12	0
2. Eatables; principally sugar, yerba maté, and rice ..	1,074,885	8	0	957,276	8	0
3. Divers fabricated articles; principally haberdashery, perfumery, and ready-made clothes..	656,641	16	0	873,895	8	0
4. Drinkables; principally red wines and gin	628,236	16	0	813,172	4	0
5. Materials for industrial purposes; principally coal, iron, and wood	485,194	4	0	649,897	12	0
6. Groceries; principally tobacco, packing paper, and kerosene	275,947	0	0	345,969	12	0
7. Articles used for shipping; ironmongery and paint ..	217,846	12	0	315,417	4	0
8. Writing materials, paper, &c.	28,467	8	0	52,235	8	0
Total	4,370,134	8	0	5,420,603	8	0

Increase of 24 per cent. in 1865 over 1864.

Exportations from Buenos Ayres.—Wools, washed and unwashed, hides and skins of different descriptions, grease, tallow, horsehair, ostrich feathers, cattle horns, bones, bone ash, and salted meat, are the main articles of Argentine native produce, and the following list will show the value of each exported last year, amounting in all to 4,399,355*l.*

Articles.		Quantities.	£ sterling.
Wool	lbs. weight	115,842,430	2,378,251
Hides, ox and cow	separate	1,690,763	958,266
Grease and tallow	lbs.	28,822,799	363,152
Sheep skins	separate	17,263,333	241,698
Salt meat	lbs.	45,699,800	138,702
Horsehair	„	3,286,127	85,799
Horse hides	separate	151,588	43,337
Ostrich feathers	lbs.	153,330	38,498
Bone ash	tons	6,989	13,761
Hide cuttings	lbs.	1,678,300	5,933
Bones	tons	2,947	5,515
Shin and shank bones ..	separate	4,808,000	4,875
Otter skins..	lbs.	52,037	3,884
Tips of horns	separate	1,210,000	3,730
Deer skins..	lbs.	91,058	2,187
Shunk skins (unborn animals) ..	„	109,539	1,599
Breeding rams	..	4,756	1,253
Hoofs, salted tongues, animal oil, tiger and other skins, rags, and soap	..	..	20,122
Miscellaneous	..	..	88,793
Total	..	..	4,399,355

Exports to Antwerp.—The export trade to Germany, Holland, and the north of Europe, is directed to the Port of Antwerp; it is not surprising therefore that Belgium should rank as Buenos Ayres' best customer. The value of merchandize exported there last year amounted to 1,411,477*l.*, or 18 per cent. more than in 1864; of this sum 1,052,556*l.* was the value of 53,000,000 lbs. weight of wool, or nearly 160,000*l.* worth more than was sent on the preceding year, and the sum of 226,000*l.* represents the value of 355,000 ox and cow hides; the other articles of export consisting of grease, horsehair, and sheep skins.

Exports to France.—France is next in importance as a consumer of Argentine produce and took last year for a value of 1,031,805, or 46 per cent. more than in 1864, which sum was made up in the following manner: 438,000*l.* for 26,000,000 lbs. weight of wool, or double the

quantity taken in 1864; 201,000*l.* for sheep skins; 134,000*l.* for 10,000,000 lbs. weight of grease and tallow, being 4,000,000 lbs. weight more than was taken in 1864; 93,000*l.* for ox and cow hides; 20,000*l.* for horsehair; 24,000*l.* for ostrich feathers; and a similar sum for goats' skins.

Exports to the United States.—The United States of Northern America, rank third on the Export List; a value of 968,190*l.* of goods having been shipped for there last year, or 20 per cent. more than in the previous year.

The consumption of Buenos Ayrean wool from 21,000,000 lbs. weight in 1864, rose last year to 28,000,000 of lbs., of a value of 611,000*l.*; but it is greatly to be doubted if the same satisfactory result will be attained in future years should the proposed tax on wool be passed which, it was feared, had been levied already in the United States, but the discussion of which has been postponed by the North American Congress until next December. This tax would have the effect of excluding all medium qualities, or wools not got up with the greatest possible care and cleanliness. Indeed the duty proposed is so high as would only allow of the best conditioned articles being exported, and would equal on an average, the cost of Mestiza wool in the Buenos Ayrean market.

In addition to wool, the other exports to the United States consisted of 600,000 cow hides, valued at 300,000*l.*, and by such articles as horsehair, goat skins, &c., no grease and tallow being sent.

Exports to Great Britain.—The value of exports to England last year was 487,460*l.*, or 10 per cent. decrease on that of the preceding year. Wool, cow hides, sheep and other skins, having been in less demand. The amount of wool taken was 6,622,229 lbs. weight, of a value of 157,000*l.*, or 2,500,000 lbs. weight less than in 1864; of horse hides for a value of 30,000*l.*; of sheep skins for a value of 26,000*l.*, or 10,000*l.* less than were taken in the previous year; of ox and cow hides 130,000, valued at 90,000*l.*, or 22,000*l.* worth less than in 1864, in which year otter skins for a value of 7,684*l.* were shipped, against 2,700*l.* of that article last year.

A marked augmentation, however, has been experienced in the consumption of other produce; in bone ash, for instance, which from 331 tons that were exported in 1864 had risen to 7,000 tons, of a value of 13,700*l.* in 1865;

and in a double quantity of grease and tallow, of which 9,700,000 lbs. weight, of a value of 120,000*l.*, were shipped to England last year.

Exports to Italy.—The export trade to Italy last year was valued at 154,542*l.*, or 11 per cent. less than that of 1864, and consisted of 175,182 ox and cow hides, worth 95,000*l.*, or 10,000*l.* less than were taken in the previous year; of 1,448,000 lbs. weight of wool, of a value of 29,000*l.*, being 6,000*l.* less than in 1864; and 4,500*l.* of grease and tallow.

The export of sheep skins to Italy from 28,000 lbs. weight in 1864, rose last year to nearly 300,000 lbs., of a value of 4,100*l.*

Exports to Spain.—Spain ranks sixth in the export list, and took last year goods to the amount of 125,979*l.*, or 9 per cent. decrease on that of 1864. The principal articles exported were 226,000 ox and cow hides, valued at 111,000*l.*, or 11,000*l.* less than were taken the previous year; 13,500 horse hides, valued at 27,000*l.*, or 600*l.* less than in 1864.

Exports to Cuba and Brazil.—On the export trade with Cuba the still greater decrease of 17 per cent. is shown. The total value of exports to that island amounted last year to 77,712*l.*, of which sum 74,712*l.* was for jerked beef. This beef or "charqui," as it is termed, forms the chief article of food for the negro population of that island. It is, likewise, largely consumed in the Brazils, to which country 27,700,000 lbs., of a value of 63,000*l.*, were exported last year, and is sold at a rate equivalent to 2*d.* the lb. The total value of the exports to the Brazils was 72,000*l.*, or 5 per cent. higher than in 1864.

The ninth entry on the export list is for ports not specified, and figures for a sum of 36,895*l.*, or 82 per cent. higher than that of the corresponding item in 1864.

Exports to the Republic of Uruguay.—The value of exports to the neighbouring Republic of the Uruguay was 36,895*l.*, or 255 per cent. increase on 1864, and consisted in salt and dry hides, sent as ballast of the vessels that had to complete their cargoes there for foreign countries.

Exports to Chile.—Chile imported last year from Buenos Ayres, for a value of 9,603*l.*, of which sum 7,500*l.* was for grease and tallow; soap and salt were the other articles taken.

The sum of 3,202*l.* represents the value of exports to the other Provinces of the Argentine Republic, and con-

sisted last year, for the most part, of salt and breeding rams.

Exports to India.—India holds the last place in the list of exports. The value taken by that country in 1865 being 800*l.* Live mules are the chief articles of trade.

The above report of the Export Trade of this country refers only to that carried on by shipping, and which figures in the official Custom-house Returns of Buenos Ayres.

The commercial transactions between the Andine Provinces and the neighbouring Republics of Chile, Bolivia, and Peru, which are, however, of a secondary order do not enter in the official returns.

It should further be stated that the specified destinations of the produce exported to the various countries named in the returns may meet with some alterations from the fact that many cargoes are shipped from Buenos Ayres to different ports in the British Channel "for orders" to proceed to any part of England or the Continent of Europe where the markets may offer the most advantageous sale.

General Remarks on Argentine Exports. — The subjoined comparative statement of the value of Argentine Exports to different countries, will shew that in a period of five years, 1861 to 1865, the value of them has nearly doubled in every instance, but that of England.

Exports.	1861.	1865.
	£	£
Belgium	590,339	1,411,477
France	410,666	1,031,805
United States	218,514	968,190
Spain	42,357	125,979
Cuba	21,643	77,712
Italy	89,812	154,542
Brazil	40,257	72,140
Chile	1,200	9,603
England	499,889	487,460

Owing, however, to the great consumption of English goods in this market, England will be found to rank first when the total amount, imports and exports inclusive, are calculated.

In the following list the value of the Total Commercial Transactions carried on by the Argentine Republic during the five years 1861—1865 have been calculated, and shows the place occupied by different foreign nations as traders with this country.

1861 to 1865 inclusive.

	Value of Imports.			Value of Exports.			Total.		
	£	s.	d.	£	s.	d.	£	s.	d.
1. England	5,638,413	12	0	2,705,333	0	0	8,343,746	12	0
2. France	4,792,043	4	0	3,490,987	16	0	8,283,031	0	0
3. Belgium	394,543	8	0	5,016,232	4	0	5,410,775	12	0
4. United States ..	1,422,167	0	0	3,418,925	0	0	4,841,092	0	0
5. Spain	2,094,036	4	0	603,825	4	0	2,094,036	4	0
6. Island of Cuba ..	433,842	4	0	355,755	16	0	789,598	0	0
7. Brazil	2,044,020	16	0	276,614	12	0	2,320,635	8	0
8. Italy	940,685	0	0	709,172	16	0	1,649,857	16	0
9. Germany	1,149,102	4	0	27,118	8	0	1,176,220	12	0
10. Holland	527,066	0	0	215,075	12	0	742,141	12	0
11. India	130,208	8	0	5,986	12	0	136,195	0	0

It will appear from the Board of Trade Returns of the declared values of the Exports from Great Britain, during the half year of 1865, that the Argentine Republic ranks nineteenth in order of the various communities of the world who trade with her, and that she is a better customer for English produce and manufactures than either the Republics of Chile and Peru, the Empire of Japan, the Kingdoms of Sweden and Norway and Denmark, or the Empire of Austria and Russia.

The total amount of wool exported last year from the whole of the Argentine Republic amounted to 119,560,600 lbs. weight, of a value of 2,449,283*l.* of this quantity 115,842,430 lbs. weight, valued at 2,378,251*l.* were shipped from the Port of Buenos Ayres to the different countries as stated in the subjoined list.

Countries.	Weight of Unwashed Wool.				Weight of Washed Wool.			
	Lbs.	£	s.	d.	Lbs.	£	s.	d.
1. Belgium .. (for German market)	52,679,809	1,050,442	0	0	56,053	1,916	8	0
2. France ..	25,791,637	514,165	4	0	108,525	2,503	0	0
3. United States ..	25,495,892	509,072	12	0	3,124,470	102,496	4	0
4. England ..	4,933,935	98,838	12	0	1,688,294	58,283	0	0
5. Italy	1,446,597	28,932	12	0	1,675	62	0	0
6. Ports not specified	460,384	9,207	8	0	..	..		
7. Uruguay ..	57,357	1,147	6	0	..	..		
8. Spain	6,012	120	6	0	1,790	64	8	0
Total ..	110,861,623	2,211,926	0	0	4,980,807	166,325	0	0

Nearly all the wool is exported in an unwashed state; owing to the scarcity of labourers, and to a general deficiency of water, except in the immediate neighbourhood of the

rivers, it would not repay the sheep farmers to send their wool washed.

Buenos Ayrean wool, as compared to that of other countries, suffers under no slight disadvantage, on account of the prevalence on the Argentine pastures of a small seed of the wild clover, called caratilla, which sticks in the fleeces of the sheep and from which it is with difficulty eradicated. The machinery used in England for cleaning wool is not adapted to cope with this drawback, and that is one of the chief reasons why, comparatively speaking, so little Buenos Ayrean wool finds a place in the English market. A large amount of it, however, finds its way into England, imported from other countries and made up in yarn.

The number of bales of wool exported from Buenos Ayres in 1832, twenty-three years ago, was 944; in 1840 the number had increased to 3,577 bales, or 280 per cent. in the eight years, from which period an extraordinary augmentation has taken place, and last year (the season being calculated from the 1st of November, 1864, to the 31st of October, 1865), the number of bales exported amounted to 130,860, containing 104,688,000 lbs. weight of wool.

The following Table of the export of wool since the year 1852 will show the steady increase in that particular branch of Argentine industry:—

Season. 1st Nov. to 31st Oct.	Export of Wool from Buenos Ayres.						Corresponding Export of Sheep-skins.	
	No. of Bales.	Increase in Bales.	Increase Per Cent.	Pounds Weight.	Sheep at 7 Fleeces per 25 pounds.	Flocks, at 1,500 sheep each.	Bales.	Sheep-skins at 200 per Bale.
1852–53	20,514	...	...	16,411,200	4,597,136	3,064	1,398	279,600
1853–54	22,450	1,936	9·43	17,960,000	5,028,880	3,352	161	32,200
1854–55	25,769	3,319	14·78	20,617,000	5,772,256	3,848	2,069	413,800
1855–56	32,624	6,855	26·60	26,099,200	7,307,776	4,871	5,966	1,193,200
1856–57	37,543	4,919	15·06	30,034,400	8,409,632	5,606	8,009	1,601,800
1857–58	39,252	1,709	4·52	31,401,600	8,792,448	5,861	7,776	1,555,200
1858–59	48,737	9,485	24·15	38,989,600	10,919,088	7,278	9,162	1,892,400
		less						
1859–60	42,275	6,462	...	33,820,000	9,469,600	6,313	10,715	2,143,000
1860–61	60,734	18,459	43·65	48,587,200	13,604,416	9,069	8,888	1,777,600
1861–62	67,161	6,427	10·58	53,728,800	15,044,064	10,104	10,766	2,153,200
1862–63	88,780	21,619	32·19	70,224,000	19,656,720	13,104	13,960	2,792,000
1863–64	96,679	7,899	8·90	77,343,200	21,656,196	14,438	16,733	3,346,600
1864–65	130,860	34,185	35·36	104,688,000	29,312,640	19,541	19,855	3,971,000
1865–66	150,453	19,593	15·00	120,362,400	33,701,472	22,467	20,761	4,152,200

The wool clip this year (1866) shows a marked improvement over that of the last season, and amounts to to upwards of 150,000 bales.

An unusually rainy season has, to a certain extent, improved the condition of the soil; the flocks have been exceedingly healthy, and the quality of their fleeces finer.

The export of hides, next to that of wool, forms the most important commerce of this country.

Dry ox and cow-hides are in greater demand than salted ones, whilst salted horse-hides are preferred to the dry.

The total number of all sorts exported last year was upwards of 2,000,000, or double the amount exported thirteen years ago.

The following Table will show the progressive increase in this particular trade since the year 1853:—

Total export of ox, cow, and horse-hides from port of Buenos Ayres:—

Season. Nov. 1 to Oct. 31.	Salted.		Dry.	
	Ox and Cow.	Horse.	Ox and Cow.	Horse.
1852–53	400,831	114,066	604,868	15,889
1853–54	406,432	224,684	697,198	9,258
1854–55	363,293	138,333	607,536	5,983
1855–56	432,735	158.088	808,806	27,092
1856–57	465,909	237,923	972,536	91,224
1857–58	328,282	117,178	1,119,845	63,862
1858–59	531,427	128,528	1,036,273	55,426
1859–60	420,525	212,095	1,241,968	66,518
1860–61	358,613	157,844	1,104,589	43,056
1861–62	347,740	123,734	1,256,968	49,508
1862–63	382,005	158,132	1,344,052	34,682
1863–64	449,330	146,129	1,241,597	41,629
1864–65	446,813	145,810	1,430,490	31,091
1865–66	488,017	99.266	1,288,285	29,227

Fewer horses have been killed this season than on previous ones, which accounts for the diminution in the number of hides exported; but no decrease has taken place in the export of dry ox and cow-hides, although in the above list a falling off is shown in the figures as compared with those of last season, and is to be accounted for by the hides being shipped a month later. A considerable quantity are ready for shipment next month (November).

The export of grease and tallow is the third article of importance in the commerce of the country, and is one that is augmenting considerably.

In 1864, 15,374 pipes of tallow were shipped from Buenos Ayres; last year the amount had risen to 33,421

and this year to 35,332 pipes; but the export of mare's grease has diminished sensibly within the last few years. Thus, whilst in 1861, 3,598 pipes of that article were exported, the amount last year was only 700. The falling off in this trade is to be accounted for by the increased home consumption of it for the manufacture of soap, and for common lighting oil, and by the fact of the grease of mares being largely mixed at present with that of sheep and other animals, which is included under the general head of tallow. The practice of slaughtering mares for the sake of the grease and tallow they yield, is one that must strike an European with surprise. It derives its origin from the little use made in this country of those animals; indeed it would be considered as a disgrace by the Gauchos (as a class of natives in this country are called), who pass the greater part of their lives in the saddle, to be seen riding on mares.

Moreover, the natural increase of mares, and their little value when compared to that of horned cattle and sheep, compels their owners to dispose of them at any price.

The method employed for killing cattle is extremely expeditious, and calculated to give as little pain as possible to the animal, which is dragged by a lasso into a small open enclosure, 5 feet high, on the top of which the slayer stands, and by the puncture of a knife, adroitly inserted between the horns of the beast, severs the spinal cord, and instantaneous death is caused.

During the killing season as many as 600 head of cattle are slaughtered daily in a single establishment.

The total number of horned cattle killed annually in the several South-American cattle-producing countries, may be estimated at 3,600,000. This calculation is based on the number of salted and dried hides that are exported yearly, and which averages—from the Province of Buenos Ayres, to 800,000 (the greater proportion being dried ones); from the Provinces of Entre Rios, Corrientes, and Santa Fé, 600,000; from Monte Video and the ports on the River Uruguay, 1,200,000; and from the Brazilian Province of Rio Grande do Sul, 1,000,000.

Allowing 20 per cent. as the amount of stock killed, a total of 18,500,000 would be given as the number of horned cattle in these regions, distributed in the following manner:—Provinces of Buenos Ayres and Santa Fé, 5,000,000; Provinces of Entre Rios and Corrientes,

2,500,000 ; Republic of the Uruguay (Monte Video), 8,000,000 ; Rio Grande do Sul, 3,000,000.

It should be remarked, in connection with the estimated larger amount of cattle given to the small Republic of the Uruguay, as compared to the Provinces of Buenos Ayres and Santa Fé, that in the former Republic sheep farming is not as much developed as in the latter provinces, in which, consequently, horned cattle are found in less number.

In the Argentine slaughter-houses nothing is wasted. The hides are carefully salted or dried ; the meat is cut off in streaks, and steeped in brine for consumption in the markets of Rio Janeiro and the Havana, the horns and hoofs are set aside, and find a ready sale abroad, the bones and flesh not required for other purposes are thrown into gigantic vats and steamed down for grease and tallow, the dried burnt bones are collected and enter largely as an article of export trade as bone ash, with which the blood of the animals is sometimes mixed in order to improve its manuring quality, finally the pulpy meat and refuse, from which no more grease can be extracted, is made serviceable as fuel for the furnaces of the steam-vats.

3. *River Plate Beef.*

A new branch of industry is springing up in the Argentine Republic by the preservation of River Plate beef, adapted for consumption in the European market. As this subject has been fully treated in a former report, it will only be necessary to recapitulate the three processes that appear to merit the greatest attention.

By Dr. Morgan's process the cattle when killed are injected with a briny fluid, which effectually preserves the meat without destroying its juicy properties. It will be sold at 4*d.* a lb. in England. By Baron Liebig's method the nutritive qualities of the meat are extracted by pressure and evaporation, and formed into a kind of paste, with which most excellent soup can be made, 128 basins of broth out of 1 lb. of concentrated meat : 33 lbs. of solid meat are reduced to a bulk of 1 lb.'s weight, and placed in a tin, which will be sold at a price of 12*s.* 6*d.* in England. For army, navy, and hospital purposes this preparation, which already is largely sold in Germany, is pre-eminently adapted,

both on account of the entire absence of grease in it, and from the ease with which it can be carried.

The Sloper process is based on the principle of the destruction of oxygen in the tins in which it is packed. The meat will present the appearance, and be as good to the taste, as freshly killed butcher's meat, and will be sold in England at 4*d.* the lb.

4. *Shipping.*

The number of sailing vessels that have arrived at, and cleared out from, the port of Buenos Ayres has greatly augmented within the last few years.

The number of those arriving last year was 906, of a registered tonnage of 257,239, and of those clearing out 930, of a tonnage of 255,351.

In the following Table will be found the total number of foreign ships that arrived at and left Buenos Ayres (both with cargoes and in ballast) during the years 1861 to 1865 inclusive.

Ships Entered and Cleared out with Cargoes.

Years.	Entered.		Cleared Out.	
	Ships.	Tons.	Ships.	Tons.
1861	707	200.259	469	124,072
1862	642	186,692	549	157,958
1863	733	215,853	632	173,511
1864	825	233,827	806	229,205
1865	906	257,239	930	255,351
Total ..	3,813	1,093.870	3,386	940,097

Ships Entered and Cleared out in Ballast.

Years.	Entered.		Cleared Out.	
	Ships.	Tons.	Ships.	Tons.
1861	12	2,400	262	78,801
1862	20	6,128	139	41,535
1863	11	2,440	85	29,537
1864	6	422	10	883
1865	2	1,000	9	1,361
Total ..	51	12,390	505	152,117

Of the 906 sailing-vessels that entered the port of Buenos Ayres last year 220, with a tonnage of 73,119, were British; 108, of a tonnage of 45,358, were French; 136, of a tonnage of 29,275, were Italian; 110, of a tonnage of 22,257, were Spanish; and 23, of a tonnage of 13,808, were North American.

The number of British vessels that entered the port of Buenos Ayres in 1861 was 125, with a registered tonnage of 38,161; whilst the number of North American vessels in that year was 133, with a tonnage of 50,075.

But the very great decrease in the number of North American vessels that entered this port last year over that of 1861, is not owing to any diminution in the trade of North America with the Argentine Republic, but is to be accounted for by the fact that since the contest in the United States of North America very many merchant-vessels from that country sail under the British flag.

The following is an enumeration of the principal ports from which vessels sailed before proceeding to Buenos Ayres.

Countries.	Ships.	Tonnage.
Great Britain	176	59,368
Spain and Cuba	133	32,235
Brazil	120	22,141
France	107	45,697
North America	79	31,436
Banda Oriental	70	14,862

The ports to which they cleared out on leaving Buenos Ayres were:

Countries.	Ships.	Tonnage.
Banda Oriental (Monte Video)..	152	30,819
Antwerp	130	44,060
France	103	40,719
Brazil	97	19,698
Spain	85	19,975
North America	75	27,945
England	58	18,852

The total number of steam-ships that entered the Port of Buenos Ayres last year was 323, or 138 more than in 1861.

They are chiefly employed in the river traffic, and the following is a list of them.

	Number of Vessels.	
	1861.	1865.
British	27	150
Argentine	58	85
Italian	..	53
North American	42	22
French	11	13
Banda Oriental	24	..
Brazilian	1	..
Paraguayan	22	..
Total	185	323

The port, or more properly speaking, the open roadstead of Buenos Ayres, is an exceedingly defective one.

Vessels drawing over 18 feet of water are unable to enter the outer roads, whilst those drawing 11 feet of water only can pass into the inner ones.

Added to the intricate sand banks in the River Plate, a great number of sunken wrecks and old anchors fill the harbour and cause it to be, at present, one of the most dangerous that can possibly be conceived.

Cargoes are discharged by means of lighters which can only be used when the weather is fine. The consequence is that ships are often obliged to submit to very onerous delays before they are able to resume their journey.

The shore, moreover, at Buenos Ayres is extremely shallow and passengers from the different ships can only reach land when the water is low by performing a part of the way in small boats and a part in open carts drawn by horses, and a more dangerous and incommodious method of touching land can hardly be imagined.

5. *Immigration.*

One of the first objects that meets the eye of a person landing on the pier at Buenos Ayres is a placard notifying the address of an asylum where immigrants can receive board and lodging "gratis" but comparatively few avail themselves of the hospitality, and even those who do so seldom remain upwards of four days in it so great is the facility with which employment is procured in this country.

The following list will show the total number of immigrants who have arrived at the port of Buenos Ayres

during the last eight years and up to the 25th of October of the present one.

NUMBER of Immigrants Entered in the—

Years.	Port.	Asylum.
1858	4,658	224
1859	4,735	37
1860	5,656	143
1861	6,301	599
1862	6,716	437
1863	10,408	545
1864	11,682	440
1865	11,767	1,300
1866	10,400*	..

In the subjoined statement will be found a description of the class of immigrants whose services are most required at Buenos Ayres. A list of the current wages given to each is appended, but skilled workmen and workwomen can command much higher prices.

Profession.	Wages.						
	£	s.	d.	£	s.	d.	
Farmers	3	6	8				Monthly wages with Board.
Gardeners	4	2	6	to 5	0	0	
Field labourers	2	8	0	to 3	6	8	
Domestic servants (male) ..	2	8	0				
„ „ (female) ..	2	0	0	to 3	6	8	
Cooks (male)	3	6	8	to 4	2	6	
„ (female)	2	6	0	to 3	6	8	
Children from 10 to 15 years of age	0	16	8	to 1	5	0	
Seamstress	2	18	0				
Washerwomen	2	18	0				
Masons	0	6	8				Daily wages without Board.
Carpenters	0	6	8	to 0	7	8	
Smiths	0	6	8	to 0	7	8	
Shoemakers	0	6	8	to 0	8	4	
Tailors	0	6	8	to 0	10	0	
Day labourers	0	4	0	to 0	5	0	
Railway labourers	0	6	8				

During the summer months (which in this country commences in November), field labourers can earn from 6*s.* 8*d.* to 8*s.* 4*d.* daily.

Domestic servants, especially female ones, and needle-work women, are in great demand.

* Up to October 25, 1866.

Owing to the increased construction of railways, employment could be found by any number of workmen who might present themselves.

Labourers in New Zealand can earn from 7*s.* to 8*s.*, and skilled artizans from 10*s.* to 15*s.* daily; but in those countries provisions are much dearer than in the Argentine Republic where flour can be obtained at from 15*s.* to 20*s.* to the 100 lbs., and meat from $\frac{3}{4}d.$ to 1*d.* the lb.

There are at present five different lines of steamers in monthly communication with Buenos Ayres, namely:

Lines.	Price of Passage.	Average duration of Voyage.
	£	Days.
Southampton	25	35
Liverpool (two lines) ..	20	38 to 40
Bordeaux	20	33
Genoa	10	40

There are besides various lines of sailing vessels especially adapted to the use of immigrants, and which start from the following ports.

Ports.	Price of Passage.	Average duration of Voyage.
	£	Days.
Liverpool..	12 to 14	60
Glasgow	12 to 14	70 to 75
Havre	8	50
Bordeaux..	8	60
Bayonne	10	55 to 60
Marseilles	8	70
Antwerp	8	75
Amsterdam, Rotterdam ..	8	70
Hamburgh, Bremen, Lubeck..	12	80
Genoa, Savona	8	75
Carril, Vigo, Corunna ..	9 to 10	55
Barcelona, Tarragona ..	10	65 to 70
Cadiz, Malaga	8	55

The present rate of immigration is greatly in disproportion to the requirement of this country. It is, nevertheless, on the increase, and the number of immigrants as will be shown in the following list, has nearly doubled within the last four years.

IMMIGRATION from Europe, according to Nationality, Sex, and Profession.

Nationality.	1862.	1863.	1864.	1865.
Italians	3,082	4,494	5,435	5,001
French	1,561	2,334	2,736	2,282
Spanish	919	1,377	1,586	1,701
Swiss	291	567	329	502
English	574	883	1,015	1,583
Germans	140	527	289	363
Belgians	50	100	100	100
Portuguese	25	50	51	50
North Americans	..	..	68	85
Other nationalities not specified .	74	76	73	100
Total	6,717	10,408	11,682	11,767

NOTE.—Men 66 per cent.; women 16 per cent.; children 18 per cent.; workmen 70 per cent.; artisans 20 per cent.; without profession 10 per cent.

The majority of immigrants are Italians by birth, a similarity in the religion, language, and climate to that of their native country attracts them to the shores of the Argentine Republic. Their number in the Province of Buenos Ayres alone is estimated at upwards of 70,000, of whom 40,000 reside in the town of Buenos Ayres. Their chief employment is as boatmen and nursery gardeners. They lead as a rule extremely parsimonious lives, amassing considerable sums of money, and remitting, it is stated, as much as 100,000*l.* annually to their friends in Europe.

The number of Frenchmen in this country is estimated at 25,000. Those from the Basque provinces is very considerable, their usual occupation is in the saladeros or slaughtering houses; they also embrace the trade of milkmen which is almost entirely monopolized by them. Nearly all the barber's shops in the city of Buenos Ayres are held by Frenchmen, whilst in the country the small retail store shops are very generally kept by French Basques.

Spanish settlers in this country muster about 32,000; the immigrants for the most part proceed from the northern provinces of the Peninsula.

The number of Germans hardly exceeds 3,500, of whom the greater number are established in the various colonies of this Republic.

Of North Americans there are very few, and their number is estimated at little over 700.

The British population in the Argentine Republic is calculated at 32,000, of which number 28,000 are Irish, forming about 5,000 families, and residing for the most part in the country where they occupy themselves in rural pursuits and the tending of sheep.

The thriving condition of immigrants generally in the Argentine Republic, cannot be more forcibly illustrated than by the following statement of the amount of deposits in the bank of Buenos Ayres.

For each 100 depositors—

12·70	are Basques.	12·80	are Spanish.
30·50	are Italians.	17·50	are Argentines.
4·10	are English and Irish.	9·60	various nationalities.
8·90	are French.		
3·90	are Germans.	100	

The following is the proportion of the amount of sums deposited.

For each 100 millions of paper dollars.

9	belong to	Basques.	10	belong to	Spaniards.
20	„	Italians.	27	„	Argentines.
14	„	English and Irish.	6	„	various nationalities.
8	„	French.			
6	„	Germans.	100		

It will be remarked that the sums deposited by the English and Irish are exceedingly high as compared with the limited number of depositors, a circumstance which can be accounted for by the fact of the vast wealth possessed by British citizens holding mercantile houses in Buenos Ayres.

6. *Railways.*

The system of railways in the Argentine Republic may be said to be still in its infancy, and shows, unfortunately, but slow signs of progress.

The first line opened was in the year 1857 in the Province of Buenos Ayres for a short distance of seven miles, up to the year 1862 only twenty-four miles of railway were opened to traffic, but since that period 300 more have been constructed, and it is expected that in the month of December of next year 124 miles more will be opened.

This satisfactory result is to be attributed mainly to the

happy turn taken by political events in 1861, at which period the Province of Buenos Ayres became reunited to the rest of the Argentine Confederation, and the present National Government was formed.

Nevertheless the construction of railways is very gradual, notwithstanding that the nature of the country is such as to call for very few costly engineering works; consisting, as it does, of an almost uniformly level plain, stretching in an uninterrupted line of 900 miles over a flat expanse of Pampa, to the very foot of the Andes.

There are six lines of railway at present open to traffic; running over 326 miles; 118 miles are in course of construction, and four other lines o frailway have been projected.

The subjoined is a list of the railways open to traffic.

Argentine Railways.	No. of Miles open to Traffic.	Owned by.
Northern .. .. .. (Buenos Ayres to Tigre)	18	English Joint Stock Company.
Western .. .. .. (Buenos Ayres to Chivilcoy)	100	Provincial Government of Buenos Ayres.
Southern .. .. .. (Buenos Ayres to Chascomus)	75	English Joint Stock Company.
Boca Railway .. .. (Buenos Ayres to Boca and Barracas)	4	Private Company. English and American.
Central Argentine .. .. (Rosario to Frayle Muerto)	123	Argentine and English Joint Stock Company.
Entre Riano Railway .. (Port Ruiz to Gualeguay)	6	Argentine Joint Stock Company.
Total	326	

The average price of fares and freight, per mile, on Argentine railways is, for the first class, 3*d.*; second class, 1½*d.*; and freight, 4*d.* per ton.

The average speed, sixteen miles an hour. Accidents are almost unknown, which may be accounted for, besides the fact of the slow rate at which the trains are run, by the lines being all single ones, and the greatest precautions being employed to prevent the chance of collisions.

The estimated cost of the construction of Argentine railways has been from 6,500*l.* to 10,000*l.* per mile, and

the average general working expenses of them from sixty to seventy per cent. on the gross earnings.

The three lines of railway owned, exclusively, by English Companies have received a Government guarantee of 7 per cent.

On the Northern Railway 7 per cent. has been guaranteed on a sum of 150,000*l.*

On the Southern Railway 7 per cent. on a sum of 700,000*l.*

On the Central Argentine Railway 7 per cent. on a sum of 6,400*l.* per mile, with a large grant of land.

The guarantee on the Northern line, the first established, and calling for it, has, however, not been made effective owing to difficulties raised by the Government of Buenos Ayres respecting the accounts presented by the Company.

It is, indeed, to be hoped, that the Government of Buenos Ayres will not lose sight of the paramount importance of encouraging railway enterprizes, and of removing all obstacles in the way of their being properly carried out; should it act in a contrary spirit it cannot expect that foreign capital will be embarked in undertakings of such great utility to this country, and indeed the actual lines of railway that have been guaranteed by law can only be considered in the light of experiments made; the question of any extension to them being mainly dependent on the manner in which the Government may meet the engagements it has contracted in connection with them.

The works on the Central Argentine Railway were temporarily suspended in consequence of the Provincial Governments of Santa Fé and Cordoba having failed to fulfil its obligations by ceding the land it had bound itself to give up. This difficulty, however, has happily met with an adjustment, and the works are being continued.

The only railway that has been constructed in this country by the Government, namely the Western line, is put up to sale for a sum of 700,000*l.*

There are four lines of railway in contemplation; but it is probable that many years will elapse before they are constructed.

The following is an enumeration of them:—

1. The Eastern Argentine Railway, in the Provinces of Entre Rios and Corrientes, to be constructed with a view to connecting the navigation of the lower with the upper

part of the River Uruguay, which is effectually closed at Salto Grande to the passage of ships by some rapid falls. A concession for this railway, which is to extend over a distance of 200 miles, has been made to an English Company, with a guarantee of 9 per cent. on 13,000*l.* per mile, but has not been proceeded with.

Should this line ever be completed, the vast riches of the Southern Provinces of the Empire of the Brazils will find an outlet on the River Plate.

2. The Nogoya Railway is destined to connect the interior of the Province of Entre Rios with the bank of the River Paraná. This railway was surveyed in 1864 by order of the Government. Its length to be 64 miles, but no steps have been taken towards its construction.

3. The Lujan and Salto Railway in the Province of Buenos Ayres. This line would be a branch of the Western Railway, and when completed might lead to a further extension to Rosario, thus connecting that important river port with the capital of Buenos Ayres.

4. The railway from Frayle Muerto to Mendoza. This line will not be carried out until the Central Argentine Railway to Cordoba is completed.

No line of railway in the whole of the Argentine Republic is likely to confer such benefits, both in a mercantile as well as in a political point of view, as is the Central Argentine Railway. It will pass through the richest lands of this country, and by connecting the outlying interior provinces with that of Buenos Ayres, will conduce to give greater force to the general National Government whose present seat is in the capital of Buenos Ayres.

Moreover, an extension of the Central Argentine Railway would reach the Andine provinces, and be the means of developing the vast wealth of the mining districts.

This railway, too, may be destined at some future day to force a passage through the rugged walls of the Andes, and by descending to the plains of Chile link the waters of the Atlantic to those of the Pacific.

7. *Mines.*

The mineral wealth of the Argentine Republic is very considerable, and gave rise to the appellation of "La

Plata," or "Silver," bestowed on these regions by the early Spaniards.

The mines of the country, however, have been very imperfectly developed; they are situated principally in the Andine provinces, and bear partial and incomplete traces of having been worked during the period the country was under the Spanish dominion.

The immense tracts of country, however, that must be traversed in order to reach the mining districts, and the great scarcity of labour to be met with in them, added to a deficiency of smelting establishments, and the almost utter want of means of transport to the coast, combine to render the working of Argentine mines (for the present at least) an almost impracticable and certainly an unremunerative enterprize.

Only a few years ago 2,000 tons of ore, extracted in one district alone, and averaging upwards of 200 ounces of pure metal to the ton of ley, were thrown away, from the impossibility of utilizing it.

The mines in the Province of La Rioja contain gold, silver, copper, iron, and nickel. They are considered amongst the richest in the Republic, particularly those situated in the district of Famatina.

The mines in the Province of San Juan contain gold, silver, and argentiferous lead. They are being worked, on a limited scale, by different English, German and native Companies. The average yield is calculated at 168 ounces to the Spanish ton of 2,000 lbs.

"El Morado" is the name given to a mine from which gold is extracted, yielding on an average 10 ounces of the precious metal to the Spanish ton.

Gold and silver are also met with in the district of Toutal, in which upwards of twenty-four mines have been opened. They possess a great advantage in the softness of the matrix, and consequent facility with which a large quantity of ore may be extracted, and it is estimated that one English ton of ley would yield about 138 ounces of pure silver.

The Province of Mendoza is rich in gold mines, and in that of Catamarca copper is largely extracted, and found to contain an admixture of the more precious metal.

The quantity of Catamarcan copper exported yearly from the port of Buenos Ayres shows a remarkable increase

on the last few years over the earlier ones, as will be seen by a comparison of the amount of it exported during the last twelve years.

Total Export of Copper from Port of Buenos Ayres.

Years.	Copper in Bars.	Years.	Copper in Bars.
1854	412	1860	92
1855	299	1861	3,317
1856	110	1862	6,091
1857	509	1863	5,484
1858	2,804	1864	8,774
1859	2,804	1865	10,936

The bars of copper exported average 200 lbs. in weight.

In the Province of Cordoba about 200 silver mines have been opened, and twenty of them are actually being worked.

The largest produce obtained in any of them has been 300 marcs per caxon of about $2\frac{1}{2}$ Spanish tons of ore; equal to 5,000 lbs. The average produce of that quantity of ore has been about 50 marcs.

It is estimated that the lowest produce, to make the working remunerative, would be from 8 to 12 marcs per 5,000 lbs.; the expense of smelting that quantity would be from 90 to 100 Bolivian dollars, or from 14*l.* to 16*l.* sterling.

The average expense of extracting the silver by amalgamation, when the ore is suitable for that purpose, is about 60 Bolivian dollars, or 9*l.* 12*s.* per 5,000 lbs. In the smelting process the loss in the scoria is from 3 to 8 marcs per 5,000 lbs. In amalgamation the loss in the "relavés" is about 3 marcs per 5,000 lbs. The loss of quicksilver in this process is about 4 ounces for each marc of silver obtained.

The greatest depth to which any mine has been worked has been about 300 feet.

At a depth varying from 25 to 50 yards in many of the mines they become flooded, and in summer, from the increased percolation, many cannot be worked at all, the pumping machinery being exceedingly imperfect.

As an indication of the estimated annual average produce of the mines that are being worked, it may be

mentioned that last year two of them produced 5,663 marcs of silver of 8 ounces each, viz., the mine of Santa Barbara 2,663, and that of El Ojo de Agua 3,000.

The ores are brought to the surface out of the mines in bags of raw hide on the shoulders of men called "apires," the shaft being an inclined plane with rude steps cut on it for that purpose.

The miner earns 12 Bolivian dollars, equal to 1*l.* 18*s.* 5*d.* monthly, besides his food. The carriers earn 7 to 8 Bolivian dollars, equal to 1*l.* 2*s.* 5*d.* and 1*l.* 5*s.* 7*d.*, also with their food, the daily cost of which for each man is about $1\frac{1}{4}$ rials Bolivian currency or nearly 5*d.*

In the Province of Jujuy, at a spot called Garrapatal, valuable petroleum beds are believed to exist at a depth of 80 feet from the surface of the ground, and to be capable of yielding 34 per cent. of pure petroleum.

The existence of this bituminous substance is stated to have been discovered many years ago by an explorer on the River Vermejo, who made use of it for coating the bottom of his vessel.

In the Province of San Juan, at a place called Las Marayes, a coal bed exists extending over a circumference of 9 miles, and averaging in depth that of an English coal mine.

The quality of it is considered to be superior to that found at Copiapó in Chile, and has been calculated to contain, according to an analysis made of a specimen taken from the surface, the following proportions:—

Gases and volatile matter	29·70
Water	1·80
Coke	43·10
Ashes	25·40
	100·00

This coal bed has not been worked as yet. In the same district as the one in which the coal has been found, sulphur has likewise been met with in great abundance.

To the many sources of mineral wealth existing in the Argentine Republic that have been already mentioned may be added valuable deposits of kaolin, of quartz, white sand, and other materials adapted for the manufacture of porcelain, glass, and hardware, likewise various descriptions of different marbles.

8. *Colonies.*

The introduction of foreigners into the Argentine Republic is justly regarded as a question of vital importance to the future welfare of this country, and the Government, with a view to stimulating immigration, expends annually a sum of 3,000*l.*

It likewise displays a great liberality in the terms on which it grants public national lands for the formation of colonies.

There are ten colonies established in the Argentine Republic, composed almost entirely of European families, of which the aggregate number is 1,394, containing 7,550 individuals.

The names of the four colonies situated in the Province of Santa Fé are Esperanza, San Geronimo, San Carlos, and Helvetia; the two situated in the Province of Entre Rios are named San José and Villa Urquiza; one colony in the Province of Salta is called Rivadavia; and two in the Province of Buenos Ayres are respectively named Baradero and Carmen de Patagones; and in Patagonia, on the banks of the River Chupat, a colony consisting exclusively of Welshmen has recently been established.

The colony of Esperanza (one of the first formed in the Argentine Republic) occupies an area of 36 square miles, and was established in 1858. It was organized by a private contractor, who had obtained a concession of land from the Government for the purpose; owing, however, to adverse circumstances, the concession was given up and reverted to the Government. The colony is composed of 355 families, with 1,627 individuals, who are partly Swiss and partly German. Each family received a grant of 80 acres of land. The colonists met at first with many serious disasters, but are now, after eight years' residence in the country, in a comparatively flourishing condition. Their crops and other produce consist principally of Indian corn, wheat, butter, cheese, and eggs.

A Protestant church has been erected in this colony, complete liberty of worship being a right acknowledged by the Argentine constitution.

San Geronimo was a settlement of later creation to that of Esperanza, from which it is situated at a short distance. The members of it came out of their own accord,

bound by no engagement, and were, moreover, possessed of some little capital.

The colony musters 157 families, with 753 individuals, principally Swiss from the Canton of Valais. Each family has received from the Government a free concession of 80 acres, which they are cultivating with marked success.

The colony of San Carlos was founded by a commercial house at Basle, and is composed of 138 families, with 735 individuals.

These settlers received 80 acres of land, and were bound by agreement, under penalty of forfeiting all their acquired rights, to deliver up to the Administration of the colony the third part of their harvested crops during a period of five years, at the expiration of which time, in the event of their having discharged all their liabilities to the Company, the land became their own. As an instance—and it is not a solitary one—of the successful working of this colony, the following case may be cited:—

The Sigel family, of German origin, consisting of husband, wife, and five children, arrived at San Carlos in the year 1859, having received an advance of money to defray their voyage, and also other sums to meet incidental expenses on their first arrival in this country.

By habits of industry and by hard labour this family had succeeded at the end of four years in discharging their debts to the Company, and are now in possession of a good revenue, and own, in addition to their farm, 94 head of horned cattle and 21 horses, and had laid down last year many acres of wheat and of Indian corn; they possess besides 5,000 fruit trees.

One third of the San Carlos colonists are Protestants; and there are many lots of land on the settlement which are at the disposal of new comers.

The colony Helvetia, as its name implies, is composed of Swiss, and consists of 40 families with 167 individuals. Though of recent creation, it is in a prosperous condition.

The colony of San José is situated near the River Uruguay, and consists of 394 families, chiefly Swiss, with 2,280 individuals. This colony is an exceeding flourishing one; the concession of land to each family was 64 acres.

The colony of the Villa Urquiza occupies an area of 9 square miles, and is situated in the vicinity of the River Parana. It numbers 71 families, German and Swiss, with

355 individuals. The tobacco plant is successfully cultivated in this settlement.

The colony of Rivadavia, situated on the River Vermejo, is composed of 50 families, with 550 individuals. Breeding of cattle is their chief industry, of which they possess from 18,000 to 20,000 head. The soil on which this colony is placed is eminently adapted to the cultivation of tobacco and cotton.

The colony of Baradero is situated at a distance of 120 miles from the city of Buenos Ayres, and is composed of 150 families, with 873 individuals, principally Swiss. Land is freely granted on this settlement, with the sole condition of its being cultivated.

Some of the Swiss families who arrived at Baradero in 1856 are now in possession of a capital of 1,000*l*. The cultivation of potatoes is their principal branch of industry. There is much unoccupied land on this settlement, and the Municipality, with a view to promoting immigration, offers to lodge and board all new comers until they shall have settled on their respectively allotted portions of land.

The colony of Carmen de Patagones is situated on the frontier of Patagonia, on the River Negro, and is, on account of its remote position, and the great difficulties experienced in communicating with it, by far less a desirable settlement than the others above-mentioned.

The Welsh colony in Patagonia is the one that possesses the greatest amount of interest to Englishmen, and will be described with more minuteness.

The original promoters of this colony had been induced, from previous descriptions of the country, to look upon the banks of the River Chupat as a spot eminently well adapted to the establishment of a colony; but they appear to have lost sight of the fact that there are many hundreds of miles of rich virgin soil in the Argentine Republic lying uncultivated, and which the Government would gladly have conceded on terms equally advantageous as those on which the isolated lands in Patagonia are granted—lands, too, that are connected with the great centres of population by the tributaries of the River Plate.

Why, then, it may reasonably be asked, was Patagonia selected as the future home of our countrymen, and why was a preference shown to a region inhabited only by tribes of Indians, and which is cut off from all contact with the civilized world? In addition to an obviously ill-chosen

locality, an error of judgment was committed in the period fixed at which the emigrants were to reach their destination, which was after the season for sowing had passed. In the absence of crops the Colonists have hitherto been entirely dependent for the necessaries of life on the charity of the Argentine Government, whose only engagement to them consisted in a bare concession of land.

Great, indeed, have been the hardships and privations to which these Colonists have been exposed; but it is to be hoped that the worst is passed, and that their first crops, which are looked for in January or February next, may be full and abundant, and may compensate them for the numerous misfortunes they have met with.

Sixty acres have been cultivated and sown by the Colonists, and calculating 1,680 lbs. of wheat to the acre, they will have for the consumption of the ensuing year twice as much wheat as they will require, and will thus be enabled to dispose of the surplus, it is estimated at a rate of 12*s*. 6*d*. to the 100 lbs.

The Colonists are in possession of 50 cows and 30 calves, and from the produce of the dairy and from the cultivation of wheat their future chief sources of wealth must be derived.

The Welsh Colonists reached the River Chupat on the 28th of July, 1865, having sailed from Liverpool on the 25th of April of the same year.

Their number, from 153 at starting, was raised by seven births and by three persons who joined from Buenos Ayres, to 163; but 20 deaths, and the desertion of 12 of their party, had subsequently reduced their total number, on the 30th of June, 1866, to 130 souls.

There are 62 adult males in the colony, and 41 adult females; also 16 males and 11 females under 12 years of age;—making 90 families in all.

Nine marriages have taken place in the Colony.

According to the Government contract 100 acres of land are conceded to every three adult emigrants, two children under age counting as one adult. The freehold title deeds of the land are to be delivered up after a residence of two years on it, and individuals can purchase as much more as they please at the rate of 40*l*. the 100 acres.

Five hundred lots, of 100 acres each, have been measured out by a Government surveyor, and it is calculated that the region on which the settlement is

placed is capable of supporting 20,000 souls. The ground at present occupied by the Colonists extends on each side of the River Chupat over an area of twelve miles.

The climate is very good, a little colder, but drier, and more bracing than that of Buenos Ayres.

The Bay of Bahia Nueva, which is in the vicinity of the settlement, abounds in fish; and in the adjoining country game is very plentiful.

Seals are met with in great numbers on the coast, and inland there are numerous herds of guanacos or wild llamas, whose skins are highly prized, and are used by the Indians as their only garment.

Stone in great variety, gypsum and salt are met with, the latter article in great abundance.

It is also reported that coal exists in the neighbourhood of the settlement.

The success of this Welsh colony may be said to rest on the future support it will meet with in regard to an augmentation in its number.

It is almost superfluous to remark that any new batch of emigrants would not encounter the same misfortunes that befell the original settlers. Too great stress, however, cannot be laid on the following points as a guide to emigrants who may contemplate joining their countrymen:—

1. That they should come out with some capital.

2. That they should bring with them ploughs, hand mills, seeds, and lumber, for the construction of huts, as there are few trees in the country.

3. That they should sail from England in the month of March, in order to arrive at the Chupat in time to prepare the ground they will be called upon to cultivate, before the season for sowing, which in this country is in the months of May and June.

It would be very ungracious to close the foregoing remarks on the Welsh settlers without rendering a just tribute to the humane and liberal conduct of the Argentine Government towards them.

Ever since their arrival in Patagonia a regular supply of provisions has been forwarded from Buenos Ayres to them.

They have thus been able to tide over the serious difficulties with which they were surrounded, and that they

have been able to do so is mainly due to the exertions of the Argentine Minister of the Home Department.

His Excellency, Señor Rawson, is a true friend to English settlers, and is an ardent promoter of every undertaking and enterprize calculated to redound to the credit and welfare of the Argentine Republic. Indeed, were the liberal views of this enlightened statesman more generally seconded by the governing Powers of the other different Provinces composing the Argentine Confederation, more certain marks would be shown of improvement in the prosperity of this country.

In addition to the colonies at present established, numerous schemes and projects exist for the formation of other ones.

A party of Americans from California have lately received concessions, and are actively engaged in the cultivation of a portion of the territory called the "Gran Chaco," which is situated on the banks of the River Parana, and which has been hitherto regarded as the almost exclusive property of Indian tribes.

Another newly projected colony, in the neighbourhood of the city of Rosario, has received the name of "San José de la Esquina," where 80 acres of land will be given to any persons under the sole condition of its being cultivated, and of their bringing a couple of oxen and horses, and the necessary agricultural instruments. An extra inducement to settlers there is held out by a promise of 4 lbs. of meat daily, to be given gratuitously to each family during the first year.

A concession, on a large scale, has lately been made in the Province of Cordova, situated between the 33rd and 34th degrees of latitude, to a Señor Etchegarry, who is about to form a Company with a capital of 250,000*l.*, to be paid off in seven years, with an estimated profit of over 1,500,000*l.* sterling.

Ten different colonies, of 200 families each, are to be introduced on the conceded ground, which will range over an area of upwards of 10,000 square miles, a tract of land nearly as large as the Kingdom of Belgium, and considerably larger than the whole of the Kingdom of Wurtemberg.

Each family will receive 83 acres, and they will have to repay the Company at the expiration of three years all sums advanced for their journey, establishment and maintenance.

Enormous profits are held out to this Company (if indeed it ever be formed), but they are contingent for their full realization on the number of colonists required being procured, on no bad harvests supervening, and on the persons who should make contracts with it carrying out their engagements in a spirit of perfect good faith.

The system of colonization as carried on in the Argentine Republic, has hitherto been unattended by any very successful results, owing chiefly to the difficulty experienced in augmenting the numbers of the settlers.

Pecuniary loss to the contractors, and but too frequent disappointment to the immigrants has marked the generality of these undertakings.

The Colony of "Esperanza," which is considered as one of the most flourishing in the Republic, has cost the National Government upwards of 30,000*l.*, and although it has been established for upwards of seven years, the number of its inhabitants does not exceed 2,000.

On the Welsh Colony, which has scarcely been fifteen months in existence, the sum of upwards of 5,000*l.* has been expended by the Argentine Government; and it would be difficult to calculate the exact amount that has been disbursed by the promoters and agents of this colony in settling 130 men, women, and children on an isolated spot, about 8,000 miles away from their homes in Wales.

It is not to be wondered at then if the system of colonies finds but little favour in the eyes of the statesmen of this country, and that immigration of a free and spontaneous nature should be infinitely preferred to it.

Labour of all description is eagerly sought after in this country, and wages are high; far better then for the emigrant, unfettered by previous contracts, to select his own field for individual enterprize, and by seeking an employment congenial to his tastes and habits, thus strive to gain his livelihood and independence.

9. *Sheep Farming in the Argentine Republic.*

There is perhaps no subject connected with the Argentine Republic which presents such great interest to Englishmen as that of sheep farming.

Every year young men of birth and education voluntarily direct their steps to the River Plate, to invest their

capital in land and sheep, from the proceeds of which, they trust, under ordinarily favourable circumstances, to realize at the expiration of from five to eight years, a fortune sufficient to enable them to return and live with comfort in their own country.

The Argentine Republic, owing to the greater cheapness of land and stock in it, as compared with that in Australia, New Zealand, and the Cape of Good Hope, holds out higher advantages to settlers possessed of small capital.

But British Colonies, both on account of the language spoken and the laws administered in them, will, undoubtedly, be preferred as a residence by Englishmen; nevertheless it may not be generally known that Spanish is a language of easy acquirement; that the Argentine laws are equitable, and as a rule, well applied; and that, moreover, a hearty welcome is given to our countrymen by the inhabitants of this country, by whom they are treated with marked respect; a due appreciation being evinced of the incalculable benefit derived by their presence amongst them.

It would indeed be no exaggeration to affirm that in English enterprize and in the employment of English capital, the true key to Argentine prosperity is to be found.

Three of the Riverain Provinces of this country, Buenos Ayres, Entre Rios, and Santa Fé, are those that are most frequented by foreigners. Not only does a greater security to property, and a smaller risk of civil commotions, exist in them, but they are provided also with better means of communication, and are less exposed to the danger of attack on the part of the Indians.

The rich lands in the Province of Cordova are, however, daily attracting attention and rising in value, and when the railway from Rosario to Cordova is completed, will prove a vast source of wealth to their proprietors.

The Province of Buenos Ayres, from its proximity to the great market of the Republic, and the emporium of its commerce, ranks first in importance for the investment of capital. The superior quality of its pastures tends to the production of a finer class of sheep, which yield a greater weight of wool, and there is moreover, a constant demand, at good prices, for wethers and other produce of the farm.

But the land in that province (and its price has been doubled within the last eight years) is considerably dearer than that in all the other provinces.

Public lands in the Province of Buenos Ayres are divided into four different classes, and vary in price from 3*s.* to 10*s.* the acre, according to situation.

Good grazing land (not public provincial property), and situated within a radius of 300 miles from the city of Buenos Ayres, is obtained with difficulty, and is valued at from 13*s.* to 15*s.* 6*d.* the acre. Land situated near the frontier is considerably cheaper, and averages from 5*s.* to 8*s.* the acre.

Leases of good land, which are rarely granted for a longer term than five years, can be procured at about 400*l.* for nine square miles, or 1*s.* 4*d.* the acre. As a general rule the titles to land in the Province of Buenos Ayres are good.

Land in the immediate vicinity of the town of Buenos Ayres has risen in value within the last few years, and an exceedingly high price is obtained for that in the neighbourhood of the lines of railway, as much as 31*s.* the acre having been paid for such land.

Land is usually sold in this country by the league, or nine square miles, and contains about 6,000 acres, and the sheep-runs in the Republic are generally known by the name of "Camp." In the Province of Buenos Ayres a league of good land will hold from 20,000 to 30,000 sheep, and land of an inferior quality from 15,000 to 20,000.

The camps, as a rule, are well supplied with water, which can usually be obtained by sinking wells at depths varying from 25 to 50 feet.

The average price of sheep is 6*s.*

The Province of Entre Rios may be said to contain a colony of English gentlemen farmers, who within the last three years, have settled on lands, the property of Don Mateo Garcia, which extend over an area of upwards of 600 miles, and are situated near the town of Gualeguaychú, on the south-eastern extremity of the Province.

Some of these lands have been sold at the rate of 4*s.* 3*d.* the acre, but the greater portion have been leased for a term of six years for sums of from 30*l.*, 50*l.*, and 80*l.* per annum for 1 square league of about 6,000 acres.

The average price of land at present in Entre Rios is from 6*d.* to 1*s.* 9*d.* the acre; but the value is rising,

and will probably reach to as high as 3,000*l.* the square league, or 10*s.* the acre.

The titles to land in Entre Rios are considered to be less good than those in the Province of Buenos Ayres, and large tracts are held by persons under what Australian law terms "squatters' rights."

It not uncommonly happens that on lands which have been deserted by their proprietors in times of political troubles settlers are now found who can produce no better title to the ownership of them than the fact of actual possession.

The ejection of such intruders is attended by no little difficulty and expense arising from litigation.

From this and other circumstances great caution must be observed in the purchase of lands in the province.

The price of sheep averages from 3*s.* to 14*s.*, according to class and time of year; but 10*s.* may be considered the price of a good sheep, whose wool would fetch about 7*d.* the lb. weight.

The Province of Santa Fé, from its geographical position, from the existence of a railway in it, and from the comparative cheapness of its lands, offers very great advantages to the settler, and many English gentlemen have already purchased considerable portions of land in it.

A law, passed last year, establishes the exact sum for which the public provincial lands can be purchased. The price varies, according to the situation of the ground, from 6*d.* to 2*s.* 6*d.* the acre.

There is a tract of excellent grazing land, extending over an area of 400 square miles, which is unoccupied, and can be obtained at the rate of 250*l.* to the square league, which is equal to 9*d.* the acre.

The system on which sheep farming has been hitherto carried on in the Argentine Republic is very generally considered to have been such as not to insure the greatest profits that could be derived from it.

The production of the finest class of wool has been aimed at, which, though commanding a higher price, is in less demand than the common strong staple adapted for the fabrication of blankets and carpets.

The general description of sheep bred in this country are of the Merino class; their fleeces yield on an average only 3 lbs. weight of wool, whilst from their small size but little grease can be extracted from them.

The greater proportion of sheep farmers in this country are foreigners, who have ever shown a tendency to occupy lands situated either in the vicinity of shipping ports, or to large centres of population, leaving, comparatively speaking, the many rich pastures of the other parts of the Confederation which do not offer the same advantages waste and unoccupied. The consequence has been that the sheep runs in the inhabited part of the Province of Buenos Ayres, at least, have as a rule been very much overstocked, and the proprietors of them have shown themselves more desirous of possessing a quantity of stock rather than a good quality of it.

The commission of such an error in the system of sheep farming has attracted the attention of gentlemen interested in the future welfare of this country, and the formation of an agricultural society has been contemplated, the object of which will be to obtain a far superior class of sheep by a greater general use of the Rambouillet ram for breeding purposes.

This class of sheep will yield from 14 to 20 lbs. of wool, and wethers and old ewes, which, properly speaking, should be annually cleared out of the flocks and sent to the steaming vat, would yield from 25 to 35 lbs. of grease.

If the business of sheep farming is destined to improve in this country, something more will be required than the mere investment of so many pounds in land and the purchase of so many sheep to run over it.

The business must be made a serious study and reduced almost to a science.

The importance of a society formed for so useful a purpose as the one at present projected cannot be overrated.

The scheme includes the establishment of a model farm on a large scale, where the finest breeding rams could always be procured; and the result of all experiments and information of a practical nature, and bearing on the subject of sheep farming would be regularly published and meet with a widely-extended circulation in the country.

Profits to be derived from Sheep Farming.

Many persons will be led to inquire what probability exists of making money by sheep farming in the River Plate,

Various statements have been circulated holding out prospects of the realization of handsome fortunes. It would, however, be injudicious to form too high expectations on any great profits to be derived by the investment of capital in such undertakings, at least under the system on which they have been carried out during the last years; indeed the days are past, when by the investment of a few hundreds of pounds and by a few years' labour the acquirement of even a moderate independence can be anticipated.

It is scarcely prudent for gentlemen accustomed to habits of civilized life, and unprepared to lead that of common shepherds, to embark in the Province of Buenos Ayres, at least in sheep farming, unless they be possessed of a capital of from 4,000*l.* or 5,000*l.*, and, even with that amount, they could not afford to purchase land for the first few years.

In the Province of Entre Rios a fair start might be made with 4,000*l.*; and in the Province of Santa Fé less than half of that amount would suffice, even if land be purchased.

It should be borne in mind, however, that success in sheep farming is wholly and entirely dependent on the individual exertion of the farmer, and on his unremitting personal attendance to his business.

If he be a man of small means he must not object to exceedingly rough and arduous work, and must be ready to forego, for the time being, nearly all the comforts and pleasures of life; but if he be possessed of large capital the case will be slightly modified, for he would be in a position to engage the services of a good practical steward to superintend the business, and thus would be spared no little trouble and anxiety.

The most serious drawbacks attendant on sheep farming in this country are the continual droughts, the prevalence of storms, and the periodical presence of locusts and flies.

Political disturbances are fortunately of less frequent occurrence than they formerly were, and when they do take place the property of foreigners is usually respected.

The lower orders inhabiting the country are well disposed to strangers; and owing to the steady onward march of civilization and the gradual opening out of the country, the dread of invasions by Indian tribes is every day subsiding.

It should not be inferred from the preceding remarks that the life of a sheep farmer is beset with nothing but difficulties, and that it is entirely deficient of the elements that conduce to the enjoyment of a happy existence; on the contrary, men fond of a healthy, independent out-of-door life, and of an entire freedom from almost all social restraints, can pass their time in a manner congenial to their taste.

Moreover, the climate of this country is proverbially good; game, such as deer, partridges, and wild fowl of great variety, is abundant; and the daily work of a sheep farmer, although at times monotonous, renders necessary the constant exercise of habits of activity and forethought.

English gentlemen who may contemplate settling in this country would do well to visit it before making any decided plans as to the investment of their capital. They would meet with the greatest hospitality from their countrymen, and in a few months would gain a more complete knowledge of the country than can be derived from the perusal of the many books and pamphlets that have been written about it.

The best time for purchasing sheep is January and February, before the principal lambing season (which commences in March), or early in September, before the spring lambing season and previous to the shearing, which takes place in the months of October and November.

It may be well to remind English readers that in this hemisphere the seasons are exactly reversed from what they are in England, the longest day being the 21st of December and the shortest the 21st of June.

Persons coming out to settle in this country would act prudently by bringing with them any funds they may possess, instead of lodging their money in a bank in England to be drawn for on arrival at Buenos Ayres.

Sovereigns are as current in this town as they are in London, and constitute a legal tender at the rate of 4 hard dollars 90 cents to the pound sterling.

The rate of exchange in a large commercial capital like Buenos Ayres is naturally subject to very great fluctuations, and during the present year the hard dollar has ranged from 49*d.* to 53*d.*

Under these circumstances it not unfrequently happens that for a Bill drawn on London—say for 100*l.*, the sum of

92*l.* only is realized, and the loss of 8*l.* has to be suffered by the drawer.

These losses by exchange and on commission are of a general nature, and cannot be avoided by the banking establishments in this town, following as they do the mercantile routine usual in such kind of monetary transactions.

But a bill of lading, including insurance, on board the Royal Mail Steamers for the sum of 100*l.* only costs 1*l.* 15*s.* for freight and insurance, or $1\frac{3}{4}$ per cent.; the traveller would thus be enabled to land at Buenos Ayres with a net sum of 98*l.* 5*s.*

Specie shipped by the Liverpool line of steamers is only charged $\frac{1}{2}$ to $\frac{3}{4}$ per cent. The rate of insurance being the same on this line as by the Royal Mail Steamers.

By comparison with the subjoined list of rates of exchange ranging from 49*d.* to 53*d.* per hard dollar, and the cost of bringing specie from England to Buenos Ayres, it will be seen that any bill of exchange drawn in England payable at sight in Buenos Ayres, at a higher rate than $49\frac{3}{4}d.$, will be disadvantageous to the taker..

Produce of 1,000*l.*

At		At	
d.	Hard dols. c.	*d.*	Hard dols. c.
49	4,897 96	$51\frac{1}{4}$	4,682 93
$49\frac{1}{4}$	4,873 10	$51\frac{1}{2}$	4,660 20
$49\frac{1}{2}$	4,848 48	$51\frac{3}{4}$	4,637 68
$49\frac{3}{4}$	4,824 12	52	4,615 39
50	4,800 0	$52\frac{1}{4}$	4,593 30
$50\frac{1}{4}$	4,776 12	$52\frac{1}{2}$	4,571 43
$50\frac{1}{2}$	4,752 47	$52\frac{3}{4}$	4,549 76
$50\frac{3}{4}$	4,729 6	53	4,528 26
51	4,705 88		

Produce in Buenos Ayres of 1,000*l.* shipped per Royal Mail Steamer.

	£	*s.*	*d.*
Freight, $1\frac{1}{8}$ per cent.	11	5	0
Insurance, $\frac{3}{8}$ per cent., 3*l.* 15*s.*; policy, 2*s.* 6*d.* .	3	17	6
Petty expenses, box, porterage, &c.	0	7	6
	15	10	0
Produce in Buenos Ayres	984	10	0
	1,000	0	0

984*l.* 10*s.* at 4 hard dollars 90 cents to the sovereign = $4,824·05

Produce in Buenos Ayres of 1,000*l.* shipped per Liverpool Line.

	£	*s.*	*d.*
Freight, ¾ per cent.	7	10	0
Insurance, ⅜ per cent., 3*l.* 15*s.*; policy, 2*s.* 6*d.* .	3	17	6
Petty expenses, box, porterage, &c.	0	7	6
	11	15	0
Produce in Buenos Ayres	988	5	0
	1,000	0	0

988*l.* 5*s.* at 4 hard dollars 90 cents to the sovereign = $4,842·42

On arriving at Buenos Ayres the traveller can deposit his money in any of the public or private banks in this city either in account current or for a fixed period, receiving interest for the sum deposited according to the state of the market at the period the deposit is made.

The above observations apply equally to sums of any amount, and may not be deemed unworthy of the serious attention of persons contemplating a voyage to this part of South America.

The following Table will show how a net profit of 53 per cent. could be realized at the end of eight years by the investment of a capital of 15,600*l.* in land and sheep, and in addition an annual interest at the rate of 9 per cent. be made on the money during the intermediate years.

The amount of land purchased is calculated at 45 square miles, or 32,000 acres, being 5 square leagues of this country.

Outlay.

	£
32,000 acres of land at 4*s.* 8*d.* the acre	7,500
Building a homestead	700
Stock—	
20,000 sheep, at 5*s.*	5,000
500 cows, at 12*s.*	300
100 horses, at 2*l.*	200
14 shepherds' huts, at 60*l.*	840
Carts, utensils, &c.	300
Expenses during the first year, such as living, shepherd's wages, &c.	760
	15,600

SALE AT THE END OF EIGHT YEARS.

	£
32,000 acres of land, at 6*s.* the acre	9,600
Buildings, including improvements, less deteriorations..	1,200
Stock—	
60,000 sheep, at 4*s.*	12,000
500 cows, at 12*s.*	300
Horses, utensils, &c.	800
	23,900

RECAPITULATION.

	£	
Total amount realized	23,900	
Original capital invested	15,600	
Net profit	8,300	or 53 per cent.

A capital of 15,600*l.* is perhaps a higher sum than the generality of persons coming to the River Plate are in a position to dispose of, but a joint society of three persons might advantageously be made, each contributing an equal share of 5,200*l.*

In order to illustrate the ratio at which sheep increase in this country the following calculation is given, taken during a period of eight years, and based on the actual exports of wool and sheep skins, than which no fairer estimate can be adduced of what was the actual live stock during that time.

In the season 1852-53 it was estimated at 4,597,136 sheep, which number had risen in 1860-61 to 13,604,416.*

During those years the total export of sheepskins amounted to 10,888,800.

It is thus shown that the actual increase of sheep was 5 and one-third its original number, or if the amount of actual live stock alone be calculated then the rate would be three-fold.

A stock of 20,000 sheep may be estimated to have increased to 60,000, more or less, in 8 years; and the animals killed, or which had died, at 46,000, each of their skins producing on an average, all the year round, the sum of 1*s.* a piece. The average clip of wool is 3 pounds to the sheep.

The receipts and annual expenses of the sheep-farming operation in question would be as follow:—

Vide page 310.

EXPENSES.

	£
1st year, 20 shepherds at 40*l.*	800
2nd year, 24 „ „	960
3rd year, 28 „ „	1,120
4th year, 32 „ „	1,280
5th year, 36 „ „	1,440
6th year, 38 „ „	1,520
7th year, 42 „ „	1,680
8th year, 48 „ „	1,920
Personal expenses of 3 partners, at 100*l.* per annum	2,400
Balance	11,080
Total	24,200

PRODUCE.

	Lbs.
Produce of wool, 1st year	60,000
„ „ 2nd year	70,000
„ „ 3rd year	82,000
„ „ 4th year	94,000
„ „ 5th year	110,000
„ „ 6th year	130,000
„ „ 7th year	150,000
„ „ 8th year	180,000
Total	876,000

	£
876,000 lbs. of wool at 6*d.* the lb.	21,900
46,000 sheep-skins at 1*s.*	2,300
Total	24,200

The balance of 11,080*l.*, considered as interest on 15,600*l.* capital invested, would give per annum 1,383*l.*, or 9 per cent., and the capital would have increased 53 per cent.

The grease of the animals boiled down would also yield a considerable amount. The produce of the sale is not taken into account in the above calculation, as an extra sum should, as a precautionary measure, be laid aside, in order to defray any extraordinary incidental expenses that might arise over and above shepherds' wages, &c.

The sum of 100*l.* for personal expenses is an exceedingly low estimate, and only the most parsimonious of lives could be led in this country on that amount; but the whole or part of the sum of 1,383*l.* (the annual interest on the capital) could be also diverted to personal expenses.

Sheep when sold are worth little more than what they will fetch if thrown into the vat, and have fallen in value

from 8*s*. to 4*s*. each. The calculation, therefore, of 5*s*. a piece for the sheep includes the expenses on commission and driving, and the sale price at the expiration of the eighth year is fixed at 4*s*.

The foregoing may be considered as a fair and impartial statement of the working of a sheep-farm, or "estancia," as it is termed, in the Argentine Republic (the province of Buenos Ayres excepted, where the land is considerably dearer than in the other provinces), and may serve to throw light on a subject that is open to unbounded controversy and difference of opinion. Indeed, so much depends on contingencies—such as weather, quality of land and stock, variations in the price of wool, &c.—that it would be next to impossible to arrive at any exact appreciation of the merits of sheep-farming as a pecuniary speculation. That good fortunes have been realized by it no one will be able to deny, whilst it is equally notorious, on the other hand, that many a man has expended the best years of his life in sheep-farming with but very inadequate results.

A course very generally adopted in this country, and termed the "medianero" system, or sheep-farming on halves, is open to a person of small means, but anxious to embark in sheep-farming. With a capital of 400*l*., a sum of 700*l*. can be realized, or a net profit of 300*l*. on the original sum invested, at the end of five years. No land need be bought or rented. 500 picked ewes will have to be purchased by a man who intends personally, and without other assistance, to look after them. These picked ewes are added to a similar number belonging to the owner of the land, who gives the use of it for nothing, as compensation for the other's personal labour. In some instances the landowner gives the use of a hut (or "rancho," as it is termed) and fold, value about 100*l*.; sometimes the cost is defrayed by both, and at other times the beginner has to find both.

	£
The 500 picked ewes would cost 8*s*. each	200
The cost of the hut and fold for the beginner would be..	100
First expenses in town and country previous to settling, and including passage-money	100
	£400

One thousand picked ewes during 5 years should increase to 6,500, which 6,500 sheep would, of course, not be picked ewes, but would be sheep of different sexes and

ages. The 3,500 belonging to the beginner, or "medianero," estimated at 4*s.* each, would be worth 650*l.*, and the hut and fold, which had cost 100*l.*, if well looked after, would be worth 50*l.* Thus the total proceeds would amount to 700*l.*, against 300*l.* capital invested and 100*l.* first expenses.

During the intermediate years—from the first to the fifth—the annual sale of wool, sheepskins, grease, and wethers would have given sufficient money for a labouring man (not a gentleman) to live pretty comfortably, and, as the necessity for forming new flocks arose, his annual sales would also be sufficient to admit of his hiring land for each new flock to graze on, and to pay a shepherd likewise to tend it.

Sheep are often taken on thirds; and many an immigrant, without one shilling of capital, and even after having only been a few months in the country, has experienced no difficulty in finding persons to give up sheep on thirds; that is to say, the sheep-farmer, or "estanciero," finds the land, the hut, the fold, and a flock of about 1,500 sheep of different sexes and ages—"al corte," as it is termed in this country. The immigrant gives his personal attention, and receives every year one-third of the proceeds of wool, skins, grease, and wethers, and is allowed to kill, for his own consumption, two sheep per week, and at the end of the third year receives one-third of the increase; in which case, if the original 1,500 have become 3,000—the increase being 1,500—his share would be 500 sheep, and in the meantime he has received a sufficient sum annually to enable him to live without getting into debt. It must be understood, however, that the man must be a hard-working, industrious labourer, of parsimonious habits.

(Signed) FRANCIS CLARE FORD.

Buenos Ayres, October 30, 1866.

Netherlands.

Mr. Ward to Lord Stanley.—(Received January 27.)

My Lord, *The Hague, January* 25, 1867.

I HAVE the honour to forward a copy of my half-yearly Report, on the subject of the Cattle Plague in the Netherlands.

I have, &c.

(Signed) WILLIAM R. WARD.

Inclosure.

Report on the Progress of the Cattle Plague in the Netherlands during the Year 1866.

THE continuance of the Cattle Plague in the Netherlands, notwithstanding the efforts made to check its progress, and the success of measures taken in neighbouring countries to prevent the spread of this calamity, and to arrest it in full career as in England, has suggested the subject of the following Report, designed to give a short view of the progress of the disease and the means resorted to for combating it in this country during the year 1866.

At the end of the year 1865 the official returns published for the provinces of South Holland and Utrecht, the result of which was given in my Report of last year, showed that the plague was increasing, and extending its area; and when the Minister of the Interior presented his Second Report on the subject, dated 23rd January, 1866, the total numbers for the two provinces above mentioned had reached by the latest official return 28,728 cases; 8,775 deaths, 6,964 slaughtered, and 9,486 recovered, leaving upwards of 3,500 still under treatment, while both to the north and south of the infected district, in North Holland and North Brabant, isolated cases had occurred. In the last mentioned instances the evil had promptly been met

by slaughtering all the cattle in contact with the infected animals, after awarding compensation to the owners, and by strict measures for cutting off all intercourse with the infected places, which might have the effect of spreading the disease.

But before directing attention to the progressive advance of the plague, it may be of advantage to consider the means at the disposal of the authorities for arresting or mitigating it.

With the additional light of a twelvemonth's experience it is easy to criticize the self-congratulation of those who saw in the machinery of the commercial and provincial organization of the Netherlands a sufficient means of encountering the disaster which had befallen them, and who had pointed to England as an example of the helpless condition of a country destitute of such institutions; it is enough to remark, that in the one country as in the other, the ordinary powers of the State have proved insufficient to avert consequences which yet might have been foreseen and provided against.

The general laws applicable to the subject at the time of the breaking out of the disease were certain Articles of the Penal Code respecting default of giving notice of animals attacked by infectious diseases, and allowing such animals to run among others; together with a law empowering the State to appropriate on award of compensation the property of individuals on grounds of public utility. Further, the Provincial and Commercial Laws conferred the right of making certain regulations with the force of law within their respective limits, and the provincial authorities were invested with the attribute of calling on those of the communes to direct and carry out such measures as might be found expedient.

In pursuance of the powers thus vested in them, many communes took measures for the suspension of markets and public sales of cattle; for providing places for the temporary seclusion of suspected and imported animals; for fencing off infected farms, and maintaining a strict watch over them; for prohibiting the introduction of infected or suspected cattle, or of any articles likely to spread the disease—among others hay, straw, and other fodder for cattle—within their limits; and for proper inspection over the passage of cattle through them; for the prevention of indiscriminate access to infected or other stalls or pastures

by cattle dealers or others; for destroying the carcases, hides, and offal of animals dying or slaughtered as diseased or suspected; and for enforcing proper cleanliness and disinfection of stalls and other places where diseased cattle had been kept; besides making such other regulations as the necessity of the case might suggest.

The provincial authorities took measure for proclaiming those communes in which the disease had made its appearance, and also provided for the maintenance of a boundary line, guarded by the local police, augmented according to the exigencies of the crisis, and assisted by a military force placed at their disposal by the general Government. Over this line all introduction and transit of cattle was rigorously subjected to inspection, as well for the preventing infection, as for hindering the supply of fresh food for it. Inspectors were empowered to enter premises and pastures, to ascertain that proper precautions were taken, and that no clandestine additions were made to the stock; and severe penalties were annexed to offences against the Provincial regulations. Finally, funds were provided for meeting the expenditure required for these purposes.

The Government also found it necessary to apply to the Chambers for a vote of money for the purpose of reimbursing the communes for advances made in compensating farmers for cattle slaughtered to prevent infection, and for the engagement of veterinaries in Government service.

As, however, the action of the communal and provincial authorities was not unifom, and as many of the communes neglected or refused to make or enforce the necessary regulations, it was indispensable to provide more efficient means for arresting the progress of the calamity. Doubts being entertained of the extent of the powers of the Government to take the decisive measures considered expedient for meeting the contingency, a law was passed in the month of October 1865, by which they were authorized in the event of any infectious cattle disease breaking out, to prohibit the importation and transit of cattle from abroad, the transit of cattle within the country, and the holding of cattle markets; as well as to make prohibitory and other regulations respecting the returns, sale, treatment, and inspection of living and dead cattle, and all things belonging to them, and the conveyances by which

they might be transported from place to place; without setting aside the provincial and communal regulations in so far as they were not inconsistent with the supreme authority. This law prescribed also the forfeiture of all animals or other property transported or sold or otherwise dealt with in contravention of its provisions, and the destruction of such property if required in the interest of the public; compensation to be given for such destruction in case of acquittal or discharge from prosecution. The law was to continue in force until the 1st January 1867.

Under this authority a cordon was drawn round the infected district corresponding in general with the line already traced by the provincial regulations, and guarded by a military force and vessels belonging to the Royal Navy stationed in such rivers and other navigable channels as formed part of the line of separation. All transport of cattle and other articles before mentioned over this line was forbidden. All cattle markets within the infected districts were suspended, as well as in such other parts of the country beyond the line in which from time to time it was considered expedient to enforce the prohibition. Orders were subsequently given to prevent the introduction of new stock into communes when the plague had prevailed within a month, in order to prevent the perpetuation of the disease by furnishing fresh food for it. In the Report of the Minister of the Interior the execution of this order is stated to have been followed by an immediate decrease in the number of cases, though it would be hardly just to conclude that it was in consequence of the prohibition, as subsequent experience has shown that cause and effect cannot so easily be traced at once in the operation of other more stringent measures, which have, however, in their ultimate consequences proved most decisive.

By another Royal ordinance permission was granted for the introduction over the line of horned cattle and sheep destined for slaughter under proper precautions as to their condition and custody, and the certainty and expedition of the disposal of them. A subsequent administrative order dated 18th January 1866, prescribed the purification of all cattle stalls within and in the vicinity of infected communes, and disinfection of manure, upon notice given by a qualified veterinary.

In the meanwhile many persons and associations had been urging the adoption of a different course from that

which had hitherto been pursued, recommending the immediate destruction of all diseased and suspected animals as well as those which had been in contact with infection; while others had supported the principle of allowing the disease to exhaust itself within the line of exclusion, leaving that part of the country on the exterior of the line to the operation of "the poleaxe and the purse," as the opposite system was concisely termed, The latter party had in their favour the plea of self-interest, since a considerable number of the cases did not end fatally, and thus the stock owner was not compelled to give up his business entirely, as would have been the case were his stock to be appropriated on compensation, while he was prevented from making new additions to it; the animals also which had recovered acquired on that account a value which almost repaired the losses sustained. They had also the support of many who had conscientious scruples against the measure recommended, and who alleged that the cattle plague must be looked upon as a judgment of God, calling upon them for simple resignation to His will. The administration acted upon the principle that indiscriminate slaughter was inexpedient when the plague had extended through many stalls, and that such a remedy in many cases was worse than the evil to be cured. It was applied only when the disease appeared for the first time in isolated cases. Then the communal authorities were warned on the report of a veterinary to destroy all cattle in contact with the infected cattle, and on default the summons was enforced by the orders of the provincial authorities. The execution of these orders was often attended with great difficulties, resistance both passive and open being offered, the communal authorities themselves being in many cases parties interested, or more or less dependent on the good will of the persons whose property they were called upon to destroy. Sometimes no veterinary was to be found to make the necessary report, and elsewhere farmers intimidated labourers in their employ from giving assistance to the magistrates by threats of dismissal. Cases of open resistance had proceeded so far as to require the intervention of the military force. In addition to this the procedure under the law of expropriation was dilatory, and inadequate, where infection was spreading rapidly, to meet the emergency, even where the good will of all parties concerned was not wanting. In ordinary cases the report of the

veterinary had to be followed by the decision of the burgomaster and councillors (wethouders) who might differ in opinion, and the owner might decline to acquiesce, in which case a justice of the peace was appealed to; and further the property could not be taken from the owner until payment made and recorded, while to all this delay were added the costs of the proceedings.

With the exception of a modification in a stricter sense of the regulations for introducing animals destined for the butcher within the cordon, and an ordinance providing for the burial and destruction of the carcases, hides, and offal of animals dying of the disease, or slaughtered for the purpose of preventing the spread of it, no further powers were conferred on the administrative authorities for some months. In consequence, however, of the urgency of farmers within the infected districts to renew their diminished stock, a temporary dispensation was granted in the middle of the month of April to introduce cattle across the cordon, and to permit the free passage of cattle within that line to all parts, except pastures, farms, or stalls where the plague was then prevailing, or had existed within a month previously. Under this dispensation it was afterwards stated that 12,000 head of cattle had been introduced into the infected parts of South Holland and Utrecht, which subsequently afforded fresh food for the disease, though the immediate consequence was not discernible in the increase or the number of cases.

Up to the end of the year 1866 the weekly number of cases officially reported was as follows :—

1866.	South Holland.					Utrecht.					North Holland.				
Date.	Cases.	Deaths.	Slaughtered.	Recovered.	Under Treatment.	Cases.	Deaths.	Slaughtered.	Recovered.	Under Treatment.	Cases.	Deaths.	Slaughtered.	Recovered.	Under Treatment.
Jan. 6 ..	2,869	438	246	206	3,364	..	..	..	..	..	..	..	..	..	..
„ 13 ..	2,721	447	302	202	3,204	..	..	..	..	..	..	..	..	..	..
„ 20 ..	2,034	280	226	218	2,759	..	..	..	..	..	..	..	..	..	..
„ 27 ..	2,135	261	208	164	2,174	..	..	..	..	..	..	..	..	..	..
Feb. 3 ..	1,916	288	179	177	2,678	..	..	..	..	..	..	..	..	..	..
„ 10 ..	1,899	235	121	190	2,657	321	77	0	158	290	..	..	..	..	..
„ 17 ..	1,510	240	125	153	2,257	288	132	0	177	269	225	45	20	10	249
„ 24 ..	1,340	259	108	130	2,037	250	81	4	244	197	275	35	19	69	269
Mar. 3 ..	1,000	184	49	56	1,781	195	72	0	109	211	179	84	26	45	280
„ 10 ..	1,352	244	106	64	2,021	297	133	35	133	207	51	48	48	84	157
„ 17 ..	1,133	261	48	46	1,887	184	76	0	142	173	27	16	2	109	57
„ 24 ..	1,410	309	43	35	2,076	243	99	0	108	209	36	11	7	29	46
„ 31 ..	1,303	258	34	71	1,979	223	127	0	122	183	119	27	37	49	52
Apr. 7 ..	1,129	297	32	50	1,564	273	128	0	128	200	71	34	0	52	37
„ 14 ..	1,365	411	65	44	1,610	234	130	0	113	191	48	23	0	11	51
„ 21 ..	770	199	51	28	1,290	254	183	0	73	189	78	26	13	46	44
„ 28 ..	703	215	8	33	1,219	160	156	8	114	71	16	14	20	25	1
May 5 ..	649	229	11	12	1,050	135	104	4	33	65	44	17	0	17	11
„ 12 ..	572	200	1	28	899	67	43	13	34	43	75	24	36	19	7
„ 19 ..	332	97	12	22	675	49	31	2	20	39	20	8	9	6	4
„ 26 ..	345	99	10	13	539	83	51	0	25	45	43	6	36	5	0
June 2 ..	255	84	24	18	529	107	41	3	54	54	53	8	37	5	3
„ 9 ..	163	56	9	7	445	86	48	0	49	43	72	13	43	15	4
„ 16 ..	215	72	13	13	459	56	25	1	27	46	23	5	9	4	9
„ 23 ..	248	80	44	15	456	60	31	3	40	32	58	8	38	9	12
„ 30 ..	208	70	36	26	416	84	37	4	25	50	43	8	46	5	1
July 7 ..	385	113	27	22	554	190	68	18	56	98	22	3	17	3	0
„ 14 ..	344	105	45	25	543	168	84	10	52	120	14	0	8	6	0
„ 21 ..	535	130	44	33	574	224	93	15	117	119	17	2	11	4	0

1866.	South Holland.					Utrecht.					North Holland.				
Date.	Cases.	Deaths.	Slaughtered.	Recovered.	Under Treatment.	Cases.	Deaths.	Slaughtered.	Recovered.	Under Treatment.	Cases.	Deaths.	Slaughtered.	Recovered.	Under Treatment.
July 28 ..	636	183	60	29	721	311	121	26	77	206	31	2	14	11	4
Aug. 4 ..	617	151	79	23	671	348	161	31	114	248	24	1	21	4	2
„ 11 ..	737	171	53	54	731	462	228	47	90	345	26	2	22	4	0
„ 18 ..	579	154	68	31	644	533	293	30	213	342	21	2	18	1	0
„ 25 ..	648	189	54	41	621	708	295	41	204	510	23	0	23	0	0
Sept. 1 ..	659	202	77	61	589	953	465	17	276	705	31	1	29	1	0
„ 8 ..	731	223	18	99	602	1,082	600	22	414	751	36	1	35	0	0
„ 15 ..	693	251	54	87	555	1,220	716	15	452	788	27	1	25	0	1
„ 22 ..	681	250	53	86	597	1,202	766	21	487	716	45	7	38	1	0
„ 29 ..	642	203	118	89	554	1,078	641	29	356	768	40	6	30	2	2
Oct. 6 ..	641	157	250	30	511	1,149	687	76	397	757	75	13	53	11	0
„ 13 ..	775	221	342	46	422	1,243	767	128	363	742	61	4	55	2	0
„ 20 ..	532	111	274	26	314	1,063	701	172	320	612	43	5	38	0	0
„ 27 ..	499	114	258	23	289	917	572	177	206	574	70	12	55	3	0
Nov. 3 ..	494	99	327	12	205	898	572	199	223	473	51	10	41	0	0
„ 10 ..	510	94	349	18	153	1,003	474	232	235	535	38	7	31	0	0
„ 17 ..	509	56	409	7	109	968	479	286	204	534	118	10	108	0	0
„ 24 ..	1,006	156	792	26	137	2,037	605	489	211	1,266	214	7	206	1	0
Dec. 1 ..	2,130	304	702	75	1,041	4,549	1,849	932	435	2,599	483	13	447	8	15
„ 8 ..	2,511	917	12	289	1,667	4,783	3,177	328	889	2,988	411	27	389	10	0
„ 15 ..	2,334	800	13	370	1,575	3,454	2,825	0	1,032	2,585	324	0	323	1	0
„ 22 ..	2,788	788	7	379	2,031	2,501	1,895	0	727	2,464	442	26	407	9	0
„ 29 ..	2,588	769	27	307	2,054	2,477	1,711	1	675	2,554	730	57	670	3	1
						GELDERLAND.									
„ 15 ..	..	..	..	..	..	61	2	381	..	..	..	..	..	..	..
„ 22 ..	..	..	..	..	..	40	3	141	..	..	..	..	..	..	..
„ 29 ..	..	..	..	..	..	37	3	116	..	..	..	..	..	..	..

From this Table it will be seen that the number of cases under treatment in the three provinces of South Holland, Utrecht, and North Holland was reduced to 492 on the 9th of June, nine-tenths of which were in South Holland, where the disease prevailed in twenty-three communes, while ten in Utrecht and five in North Holland were also at the same time infected. Before this time the Government had arrived at the conviction that more energetic measures were necessary, and more extensive powers to enforce them. The prevalence of the cholera, however, throughout the kingdom, and especially at the Hague, rendered it unadvisable to re-assemble the Chambers for this purpose; and in the meantime the Minister of the Interior endeavoured to obtain from the local authorities a voluntary and uniform application of the expropriation law. But as this attempt proved unsuccessful with a great number of the local administrations, the favourable moment for arresting the mischief was lost. It was not until the middle of September that a Bill for conferring the necessary powers upon the Government became law, and by that time the cases remaining under treatment had increased to 1,344, with a weekly addition of new cases, 1,940, and the number of communes infected in South Holland to 48, in Utrecht to 35, and in North Holland to 6. This law empowered the burgomasters either of their own authority or upon the report of the owner, or of a qualified veterinary, to order the destruction of diseased or suspected animals, or such as had been in contact with them, after valuation of the property and tender of the amount to the owner, namely, two-thirds of the full value for diseased and suspected cattle, and the whole value for such healthy animals as it might be found expedient to destroy. In case of the owner disputing the award of the appraiser, twenty-four hours were allowed for him to name another, a third being appointed by a Justice of the Peace. The decision to be given on oath, if required, either by the burgomaster or the owner of the cattle, of a majority of these three was final. The burgomaster was further authorized to enter and visit, accompanied by such professional persons and other attendants as he might consider necessary, all pastures, stalls, and dwelling-places of stock owners or herds with or without their consent. The regulations for the burial and destruction of animals dying or slaughtered on account of the disease were to be enforced by the general Govern-

ment. All the stock owners neglecting to report cases of disease or to separate infected cattle were to forfeit all right to compensation on account of them, in addition to the penal consequences of their default. The Royal Commissioners in the provinces, acting under the direction of the general Government, were to issue their orders to the burgomasters to exercise the powers conferred on them by this law. The compensation was to be advanced out of the communal funds, but if these were insufficient for making the proper tender, the burgomaster might receive an advance from the public monies without the previous warrant of the Audit Chamber, nor was he bound to give security for such sums, but an account was to be rendered within two months to the Audit Chamber.

In every case the ultimate charge for compensation was borne by the general revenue of the country.

In the execution of the powers conferred by this law a Royal Ordinance was issued prescribing the expropriation and destruction of infected and suspected cattle, and of other cattle which had been in contact with them in all places to the exterior of the line of separation; while the Minister of the Interior, in concert with the Royal Commissioners, was to determine when it might be expedient to carry out a similar measure in respect of any district within the line; and the interpretation of the terms "suspected cattle" and "cattle in contact with diseased cattle" was left to the discretion of the Royal Commissioners.

According to the Report of the Minister of the Interior addressed to His Majesty on the 3rd December, the general order had been punctually obeyed in the districts without the cordon. Within that line these stringent measures had been carried out along the edge of it; and at first it appeared that they were attended with a measure of success, but after the beginning of the month of November new Communes, both within and without the cordon, were added week after week to the infected list. It was therefore determined to suspend the operation of the new system, within the cordon only, and to wait for a more favourable opportunity of carrying it out, in consequence of the heavy sacrifices demanded, without a commensurate prospect of success.

The advocates of the principle of stamping out the disease ascribe the failure to the manner of carrying it out, whereby not only the money applied to the purposes of com-

pensation was thrown away, but the more ignorant farmers were discontented by the unequal operation of the law, executed as it was in one commune, while perhaps a neighbouring one was exempted from it. It would have been better, they alleged, to proceed systematically, by beginning at the circumference of the line, and so gradually to drive the contagion towards the centre, by which means a larger proportional force would be available for vigilantly guarding the infected spots, and preventing all intercommunication. It would have been better also to vest the powers of the law in Special Committees than in the burgomasters, as less liable to local influence. Much of the spread of the disease is ascribed to the practice of illegally digging up the carcases which had been buried, for the purpose of disposing of the meat, the transport of which from place to place increased the chances of infection, liable as it was to be communicated not only by such meat itself, but by the persons employed in the criminal act.

However this may be, it is certain that the immediate cause of the rapid increase and spread of the disease in the latter months of the year resulted from bringing the cattle together into the stalls. The same result had followed in the previous year, but from experience it was hoped that the disease would soon exhaust itself, leaving in those communes now attacked none but the animals which had recovered, while the spread of infection might be prevented by the vigilance of the force employed in watching the boundaries. With this view strict orders are given that the burgomasters should be that no additions are made to stock in their communes; that accurate lists should be taken not only of animals in infected farms but throughout the commune; that animals should be marked; that separate lists should be kept of such as recovered; and that they should be kept separate from others as far as possible; that such accounts should be taken weekly, and by two parties, one for the infected stalls and one for the healthy; while it is suggested that where the disease breaks out, the whole Commune, and not the separate farm only be declared infected.

At the close of the year 1866 the whole number of communes infected in South Holland was 97, and of these in which the disease had prevailed but ceased to exist 70, in all 167 out of 197. In Utrecht the corresponding numbers were 63 and 3, out of 72; in North Holland 27 and

14, out of 134; and in Gelderland 11 and 16, out of 116. Isolated cases had also occurred in the course of the year in the Provinces of Zeeland, North Brabant, Overijssel and Friesland, but they were not included in the official Reports. The total numbers under the several heads in the four provinces reported were:

	South Holland.	Utrecht.	North Holland.	Gelderland.	Total.
Cases	75,999	41,763	5,386	260	123,408
Deaths	33,046	23,692	771	18	57,527
Slaughtered ..	14,664	3,479	3,823	1,010	22,976
Recovered	26,235	12,038	791	0	39,064
Under treatment ..	2,054	2,554	1	0	4,609
Number of cattle in each province according to my Report of last year	199,148	76,989	136,186	168,982	581,305

The portion of the expenditure charged upon the Revenue of the State for the purpose of checking the disease was partly borne by the Department of Justice, in engaging an additional rural police force, and defraying the charges arising out of the employment of the military and naval forces in aid of them. The numbers of the military employed was about 1,300 or 1,400, with 150 horses; and the expenditure since the beginning of May from 1,000 to 1,100 florins per day. For this two votes have been taken, amounting to 319,000 florins (26,600*l.*), while the amount voted on the budget of the Home Department for compensations and for defraying the expenses of the veterinaries employed, has been 1,600,000 florins (133,333*l.*). A very small amount is to be set off against this for meat of sound animals, for which compensation had been given, sold on account of Government. The burgomaster of one of the communes in North Holland, where such a sale took place, could not realize more than than 25 florins for a cow, and a herd of 10 fetched only 162 florins.

I have already alluded to many of the difficulties encountered in carrying out the measures by which the authorities were endeavouring to meet the exigencies of the crisis. These originated chiefly from the acts of the less enlightened class of farmers, who looked only to their

own immediate interests, affected not only by the loss by deaths, but by the difficulty of supplying that loss so as to carry on their business. To avoid the effect of the expropriation law, they neglected to report the appearance of the plague among their stock, and in spite of all the vigilance of the rural police numbers of cattle were passed in every direction across the cordon. Though public markets were closed, the neighbouring country inns filled their stables with cattle destined for sale, and thus by every possible means the provisions of the law were evaded. It is true that many convictions were obtained, on prosecutions for the offences above-mentioned, but they did not seem to have much effect as examples.

An Article of the Constitutional Law requiring the Provincial States to take measures to remove all obstacles to the import, export, and transit of different articles between the several provinces; a question was raised with regard to the obligation of the regulations adopted for preventing the transport of animals and articles deemed capable of conveying infection. In several cases referred to the ordinary Courts of Justice the Public Prosecutor failed to obtain a conviction for the infringement of the Provincial regulations, but the Supreme Court has decided that the Judges cannot call in question the legality of the ordinance, on the principle that the Courts are not qualified to pass judgment upon the validity of any law, the general Legislature alone being competent to exercise such jurisdiction.

The most serious cases of violation of the law have arisen from the eagerness of the lower classes to dig up the buried carcases of the animals dying of the disease, or slaughtered as suspected. They have assembled in considerable numbers for this purpose, and even set the military force at defiance. Large quantities of meat so obtained have been discovered and seized, but still more has found its way into the houses of the labourers thrown out of work, or been retailed to the poor by unprincipled salesmen.

The greatest evil of this practice is the danger of spreading the disease, not only by carrying about the meat, but by the clothes and shoes of the persons employed in it. Many of these poor people are under the impression that they are doing nothing illegal in digging up the animals which have not been expropriated, as is

the case in those communes where the system introduced under the law of September last has been temporarily abandoned; and no prejudice to their health has appeared to be the result of their partaking of such meat. Indeed, I have been assured on most reliable testimony that meat thus buried for several days has seemed to have undergone a purifying process, and even to have been found perfectly palatable when eaten in ignorance, by a person who mentioned the case to my informant.

As a Commission has been recently appointed to examine the whole question, and to report and recommend what further measures should be adopted, in order, if possible, to extirpate the disease, I propose, as soon as the result of these recommendations shall have been made public, to prepare a supplement to this Report; for which occasion the further observations suggested by the subject will be reserved.

(Signed) WILLIAM R. WARD.

The Hague, January 24, 1867.

Mexico.

Report by Mr. Middleton, Her Majesty's Secretary of Legation, on the Sulphur Deposits of the Mexican Empire.

Mr. Middleton to Lord Stanley.

My Lord, *Mexico, December* 31, 1866.

HER Majesty's Government having, according to Earl Russell's despatch to Sir C. Wyke of the 26th November, 1862, requested information relative to certain sulphur fields said to exist in Mexico, I thought that I could not do better than select the subject of sulphur for my half-yearly Commercial Report, which I have the honour to inclose herewith; especially since, according to Mr. Walsham's despatch to Earl Russell of January 26, 1863, that gentleman was at the time unable to supply more than very slender information on the subject.

I have, &c.

(Signed) R. T. C. MIDDLETON.

Inclosure.

Report.

THE principal sulphur-producing districts of the Mexican Empire are as follows:—

San Antonio de Guascama, in the State of San Luis Potosi;

Taximorra, in the State of Michoacan;

Mapimi, in the State of Durango;

Popocatepetl, in the State of Mexico;

And Las Virgenes, in the State of Lower California.

Sulphur deposits are also known to exist in the following other districts of the Empire, although, from some unexplained reasons, no steps have been as yet taken to turn them to account:—

San Marcial, in the State of Sonora, where, according to somewhat vague reports, large beds of sulphur are also found; within the Volcano of Orizaba, in the State of Vera Cruz, where the soil is, probably, of an analogous geological formation to that of the Volcano of Popocatepetl, referred to further on; at Ilalcozantitlan, in the State of Guerrero: of which deposits, however, little reliable information can be obtained, nor of those which are supposed to exist in the district of Nazarit, in the State of Fresnillo.

In various other districts, such as that of Atlisco, in the State of Puebla, where crystallized sulphur exists in the fissures of trachitic clefts; and at Temascalzingo, in the district of Yntlahunca, and also in the Cerro de Solis, where sulphur veins intersect alum rocks,—sulphuric vapours emerge from the soil, and form deposits of native sulphur in the crevices and holes of the rocks over which they pass, which deposits, after undergoing the process of decomposition, produce alum.

I have obtained the following particulars respecting the mines of San Antonio Guascama, situated about forty leagues to the east of the city of San Luis Potosi, and in the Guadalcazar range of mountains, from Don Luis Rojas, the proprietor of the same:—

The formation is in "cumulos," or extensive beds which spread out in various directions. The deposits at present worked run north and south, and are situated in the bed of a mountain stream, having been worked since the last century; between the layers, masses of chalcedony and sulphate of lime (gypsum) are to be found. The sulphate of lime, which borders the sulphur, is found in a crystallized state, and between this and the sulphur water is found, which occupies an acid taste after a short exposure to the air; probably on account of the sulphuric acid contained in the crystallized sulphur.

The sulphur bed is about 8 yards below the surface of the soil, and the workings have been carried to a depth of 20 yards through the sulphur, without the thickness of the bed having, as yet, been ascertained; the bed itself being about 7 yards in width.

Only two "vetas," or veins, have as yet been worked, but it is believed that several others exist, and that the quantity of sulphur contained in them is immense.

These mines are badly worked, and contain a good deal

of water; the proprietor having only worked them himself during a period of two months in 1865, and having obtained 10,000 arrobas (250,000 lbs.) of purified sulphur. During the present year 20,000 arrobas (500,000 lbs.) have been obtained in four months. The sulphur as extracted from the mines is impure, and has to be purified previous to being sold.

Two kinds of sulphur are found, which are respectively classified as "poor" and "rich;" the average yield in purified sulphur from both the classes of crude sulphur being about 33 per cent.

The purified sulphur at the mine fetches $1\frac{1}{2}$ dollar the arroba of 25 lbs., whilst at the Mint of the city of Mexico, and at the Assaying Works, where it is employed in the manufacture of sulphuric acid, it fetches 8 dollars the quintal of 100 lbs.; the annual consumption being, on an average, about 2,500 quintals (2,500,000 lbs.)

At the Tapona, near the town of Guadalcazar, sulphur is also found, but the quantity is stated to be very small; and no steps have as yet been taken to turn it to account.

From the few particulars which I have been able to obtain respecting the sulphur deposit of Taximorra, generally known as that of "agua fria," to the south of the town of Maravatio, in the State of Michoacan, it would appear to be susceptible of being profitably worked, it being of an analogous geological formation with that of Popocatepetl, before alluded to; that is to say, that the sulphur is produced by the condensing in clay vessels of the sulphureous vapours which are unceasingly issuing therefrom; from which circumstance, also, the supply may be said to be inexhaustible.

The consumption, in the capital of the Empire, of sulphur obtained from the deposit of "agua fria," from April 1860 to April 1866, amounted to 1,463 quintals (146,300 lbs.), showing an annual consumption of 24,383 lbs.; the amount of it consumed in other cities of the Empire, such as Morelia, Guanajuato, &c., in the manufacture of gunpowder for the army, or for mining purposes, being unknown: the owners of the deposit being, however, ready to contract for any quantity required in the city of Mexico itself, at the rate of 8 dollars per quintal, freight included.

Respecting the geological formation of the sulphur deposit of Mapimi, or of the average annual amount of produce

obtained, I have been unable to obtain any particulars; the deposit is, however, known to be very rich: and at the town of the same name, about sixty leagues to the north-east of the city of Durango, the sulphur extracted from this deposit, which is situated twenty-five leagues further to the north than the town, fetches from 1 to 1½ dollar per carga, or load of 12 arrobas (300 lbs.)

It was from this deposit, also, that the entire supply of sulphur consumed in the manufacture of gunpowder was obtained by the Spaniards, from the time of its discovery by them, the exact date of which is not known; but it is supposed to have been about the middle of the seventeenth century.

The crater of the gigantic snow-clad volcano of Popacatepetl, which, with the neighbouring one of Iztaccihuatl, form the prominent objects in the landscape nearly throughout the whole valley of Mexico and surrounding country, may be denominated a regular "solfatara," in Italian, or "azufrera," in the language of this country; the emission of sulphuric vapours and other gases being perpetual, and the condensing of which amidst the pumice-stone crags and rugged inequalities of the crater producing the sulphureous substances, from which the pure sulphur, or "azufre flor," is afterwards obtainable by distillation. Everywhere, indeed, upon the soil being turned up, "azufre flor," or pure sulphur, may be found in a condensed state; and it may also be produced by condensing the sulphureous vapours in earthen vessels.

Within the crater itself there are certain spots more productive than others which are called in technical language "vetas" or "veins," the holes through which the vapours and other gases exude being termed "respiraderos" or "shafts;" being in 1857 five in number, and the largest being 6·5 metres in diameter; a multitude of smaller "respiraderos" being visible, and which are constantly breaking out in fresh places. Pools of acrid water are also to be met with at the bottom of the crater, and which are constantly diminishing or increasing in size, and appearing and disappearing, according to the accounts furnished by the labourers who are employed in the extraction of the sulphur. According, also, to the accounts furnished in the year 1857 by a captain of engineers, named Perez Castro, who, together with three young students of the Government Mining College of the capital, named Ochoa, Beltran,

and Vuelta, were the first individuals who made an exploratory descent into the crater for scientific purposes, and from whose reports many of the following particulars have been obtained, a pool of water existed there measuring 12 miriametres in circumference, and 40 miriametres in depth.

Distinct columns of vapour issue from each "respiradero," as seen from the summit of the volcano, and which produce a roaring sound, accompanied now and then by that of slight explosions.

The crater is of an elliptical but very irregular shape, being 240 miriametres in width at its greatest axis, and 170 at its lesser; its depth being 143·85 miriametres below the ledge of rock upon which a "malacate" or "crane" is erected, and which is at a considerable depth below the "lip" of the crater itself.

The interior walls, as well as the bottom of the crater, are composed of rocks and boulders of fantastical shapes; and it is calculated that the earth and loose stones which are constantly rolling into it fill it up to the height of about a yard annually.

A popular tradition exists also that in the year 1588 an eruption took place which caused the crater to assume its present shape, its depth having being much less before, and the descent into it comparatively easy; and thus the tradition in question has given rise to the supposition that when the crater shall have been again filled up to a certain height, another eruption will take place.

The labour of extraction is performed by workmen at the bottom of the crater who work about ten at a time at digging out the sulphur, which they have to carry up a slope 100 miriametres in extent, and of an inclination of 45 degrees, and composed of loose earth and stones, until they reach a spot called the "desenganchadero" or unhooking place; and for every arroba (25 lbs.) which they deposit there, they receive 12½ cents (about 6*d.*); and those well accustomed to the work make five trips per diem, carrying 4 arrobas (100 lbs.) at a time.

From the "desenganchadero" the sulphur is raised by a windlass, up to the ledge of rock upon which the crane is erected, the windlass being worked by four men who earn 62½ cents (about 2*s.* 6*d.*) per diem, and is then carried by other labourers up to the edge itself of the crater, and from thence is taken down to the "cruz" or "cross," a

distance of about 500 miriametres, on an inclined plane of snow, each man being seated on a kind of sledge composed of an ox-hide, with two cargas or loads of sulphur of 5 arrobas (125 lbs.) each before him, and guiding the sledge by means of a pole; these descents, which are attended with considerable danger, being termed "corridas" or races.

From the "cruz" to the "rancho," or large hut, of Ilamacas, situated at the edge of the snow, and just on the limit to which vegetation extends, being about 13,000 feet above the level of the sea, a distance, from one point to the other, of about three leagues, the sulphur is carried down by men on their backs, at the rate of 62½ cents (about 2*s*. 6*d*.) per day; the condensing process, or extraction of the "azufre flor," or "pure sulphur," being effected in earthern pots, at the "rancho," by the application of heat.

In order to facilitate the extraction of the sulphur from the volcano, as well as to obviate the necessity of the labourers being exposed to the difficulties and dangers incurred in the mode at present pursued, it has been suggested to construct an adit to communicate with the crater at its base; but such an undertaking would appear to present almost insurmountable difficulties. The work of extraction commences at the end of the month of January, and has to be suspended upon the commencement of the rainy season in May; and the amount of unrefined sulphur obtained during the four months is, upon an average, 1,750 quintals, about 175,000 lbs., which, after condensation at the "rancho" of Ilamacas, produces about 1,000 quintals (about 100,000 lbs.) of "azufre flor" or "pure sulphur:" the difficulties of extraction, transport, &c., having caused the operations pursued to be limited to the richer deposits in the crater alone; whilst those rather less abundant have been turned to no account whatever.

The sulphur obtained from Popocatepetl fetches, in the city of Mexico, from 11 to 12 dollars per quintal (100 lbs.); whilst in that of Puebla (the former city being distance fourteen and the latter eight leagues from the "rancho" of Ilamacas) it fetches from 10 to 11 dollars per quintal.

From the scanty information which is alone obtainable respecting the sulphur deposits of the volcano of Las Virgenes, situated in the district of Mulegi in Lower

California, it would appear that from the summit of the centre one of three conical hills which form the principal group in the mountain ridge of Las Virgenes, a cloud of acrid vapour (probably sulphureous gas) is constantly emerging; and that below the summit, and within a radius of about fifty metres, the ground is perforated by an infinity of small holes out of which sulphureous vapours also issue; and which, upon being condensed, produce crystallized sulphur in small quantities. From these same apertures, water impregnated with sulphuric acid also emerges at times, and the soil around the summit of the volcano is composed of a layer of sulphureous earth, whitish mud lying beneath it, and which, having been sounded to the depth of three myriametres, is found to maintain a uniform heat of about 90° centigrade.

Small "vetas" or "veins" of sulphur also intersect a plain which stretches forth to the north-east of the volcano; and sulphureous vapours also exude from some caves near its base, and which, in their decomposition, produce alum upon the rocks around.

The merchants established at the port of Guaymas, in the State of Sonora, have, at times, striven to turn the deposit in question to account and have succeeded in obtaining some few tons of sulphur, which they embark at the port of Santa Cruz de Mayo, being the one in its most immediate vicinity.

(Signed) R. T. C. MIDDLETON.

Mexico, December 30, 1866.

Greece.

Report by Mr. Ellis, Her Majesty's Secretary of Legation, on the Trade and Finances of Greece.

Mr. Erskine to Lord Stanley.

My Lord, *Athens, January* 8, 1867.

I HAVE the honour to transmit to your Lordship, herewith, a copy of the half-yearly report which has been addressed to me by Mr. Ellis, Secretary of Her Majesty's Legation, on the Trade and Finance of Greece.

The official returns published by the Hellenic Government are in all respects so defective that it has not been possible for Mr. Ellis to supply Her Majesty's Government with the detailed and accurate information which is available in most other countries ; but I trust that it will appear to your Lordship that he has made the most of the scanty materials at his disposal.

I may take this opportunity of mentioning the recent erection of some large lead-smelting works at a place called Ergasterion, in the district of Laurium, not far from Cape Sunium.

The neighbourhood of this establishment abounds in beds of scoriæ, or slag, the refuse of the argentiferous galena from which the ancient Athenians, when at the height of their power, derived the silver which constituted so important an element of their prosperity.

About two years ago, a French Company, under the direction of M. Roux, a most intelligent and enterprising capitalist of Marseilles, purchased the whole of these scoriæ beds from the commune of Keratea, and erected ten furnaces and the other necessary works for re-smelting the scoriæ, from which the ancients had extracted all the silver and lead they could by the comparatively unskilful methods practised in those days.

The Company now employ upwards of 500 workmen, chiefly natives of the country. A large and thriving village

has sprung up around this establishment, which was until recently a desert. They have availed themselves of an excellent port, which is now frequented by numerous English and other foreign vessels, as well as by the small craft of the country, and the place is already abundantly supplied with provisions of all kinds.

Only a small quantity of silver—about 2 per cent.—still remains in the lead, which is sent to Newcastle to be refined. But the very existence of any portion of the precious metal has so excited the cupidity of all classes here that incessant efforts are being made both by the Government and private individuals to disgust the Company, and to compel them to abandon an enterprise which, I am quite satisfied, no Greek would have either the skill or the capital to turn to any account.

Only a few weeks ago the Company were unexpectedly called upon to pay an export duty on their lead, which would have been equivalent to about 60 per cent. of the cost of production, although no such duty is imposed by the Greek tariff. M. Roux naturally protested against this illegal and extortionate demand, and, being energetically supported by his Government and the French Legation, it has, momentarily at all events, been withdrawn.

It is understood, however, that an *ad valorem* duty of about 10 per cent. will shortly be imposed by the Chamber, and the Company are ready not only to acquiesce in an export duty of that amount, but even to pay it on the whole quantity of lead hitherto exported.

The Company are already producing at the rate of about 10,000 tons of lead annually, and there is reason to hope that, even when the scoria beds shall have been exhausted, they will be in a position to work the mines from which the ancients derived their ore, and that a field of wealth practically inexhaustible may thus be opened out to Greek industry.

I have thought that it might interest your Lordship to receive a short account of this enterprise, as it is the only one of the kind in Greece, and is a fresh example of the suicidal policy adopted in this country—of treating all foreign speculation as if it were necessarily injurious to native interests.

I have, &c.
(Signed) E. M. ERSKINE.

Inclosure.

Report by Mr. Ellis.

Population.—The population of Greece in 1832 is supposed to have numbered 712,608 inhabitants, in 1842 it is given at 853,005 inhabitants, in 1852 at 1,002,112 inhabitants, and the number had increased in 1856 by 65,104. The last census, taken in 1861, gives a population of 1,096,810 inhabitants, and the Ionian Islands, by a census taken in the following year, had 232,698 inhabitants, which would give for the total population of the whole kingdom 1,329,508 inhabitants. There would thus be about 57·28 inhabitants to an English square mile in the former kingdom, and 223½ inhabitants to the square mile in the Ionian Islands. The official statistics are for the years 1860, 1861, and 1864, but though they are drawn up with great care, they admit that their information cannot always be relied on. It appears that the information respecting the births, the deaths, and the marriages are collected by the mayors from the priests, whose registers (there being no control over them) are not always in perfect order. The proportion of births and deaths to 100 of the population during three years was as follows :—

	Year.	Births.	Deaths.
Former Kingdom	1860	2·89	2·07
Ditto	1861	2·95	2 09
Ditto	1864	2·97	2·16
Ionian Islands	1861	2·81	1·84
Ditto	1862	2·42	1·18
Ditto	1864	2·54	1·90

Neither of these rates is high, but the calculations extend over too short a period to make them valuable for comparing with the rates in other countries. Deaths in the earliest ages are very numerous, and the high proportion in the births of males, as compared with those of females, is much commented on, and many ingenious explanations of the first given. This excess of males over females in the early ages seems to be the general rule, and according to a calculation once made on 80,000,000 persons, it would appear to be more than compensated by the higher death rate among males. According to this calculation up to five years of age there were 100 males to 98·03 females, and the males remained in excess up to

twenty years. From that age to sixty years the females were in the proportion of 104 to 100 males, and the proportion of females rose rapidly from that age till ninety years, when there were 155 old women to 100 men. The following statistics seem to bear out this calculation. It does not include the Ionian Islands, and shows the proportion of births and deaths of males to 100 females:—

	Births of Males.	Deaths of Males.
1860	109·92	109·1
1863	107·32	110·35
1864	109·06	116·0

Commerce.—The latest Commercial Reports are for 1863. The proportion to the total value exported, on an average of the five years which ended with 1863, show currants at 50 per cent., figs and hides at 5 per cent., cocoons and wine at 4 per cent., tobacco and valonea at 3 per cent. The largest customer is England at 47 per cent. of the total exports, and Turkey takes about 25 per cent. The imports are very numerous, the principal articles imported being cotton and woollen goods, then linen and silk; grain, skins, sugar, cattle, and timber are also imported to a considerable amount. Nearly 30 per cent. of the imported articles come from England, 20 per cent. come from Turkey, and rather under 20 per cent. from France. The commerce of Greece is classed under the two heads of general commerce and special commerce; the former comprises all articles imported from foreign parts, whether destined for the home consumption, or to be put in bond, and all merchandize exported of whatever origin. The special commerce only includes articles imported from abroad for the home consumption, and, as regards the exports, articles produced in the country and articles re-exported after payment of duty. The special commerce is, therefore, more useful as showing the producing and consuming power of the country. The following is the Return of the commerce for 1863:—

	General Commerce.	Special Commerce.
	Drachmes.	Drachmes.
Imports	63,850,642	56,608,884
Exports	26,140,956	23,030,555
Total	89,991,598	79,639,439

This makes, for general commerce, a value of 3,213,895*l.*, and for special commerce 2,844,266*l.* The Custom dues received were 4,634,416 drachmes (165,515*l.*), and tithes collected at the Custom-house, 1,414,778 drachmes (50,527*l.*).

The number of ships which entered and left Greek ports in that year was :—

Coasting Trade.

Ships Entered.	No. of Ships.	Tonnage.	Ships Left.	No. of Ships.	Tonnage.
Greek flag	55,163	1,012,248	Greek Flag ..	64,358	1,101,096
Foreign flag ..	2,553	131,799	Foreign flag ..	2,954	153,453
Total	57,716	1,144,047	Total	66,312	1,254,549

Foreign Trade.

Ships Entered.	No. of Ships.	Tonnage.	Ships Left.	No. of Ships.	Tonnage.
Greek flag	5,733	471,221	Greek flag ..	5,175	504,266
Foreign flag ..	4,058	608,583	Foreign flag ..	3,925	620,349
Total	9,791	1,079,804	Total	9,100	1,124,615

The average value of the special commerce during two periods of five years was as follows :—

From 1853 to 1857 inclusive.

	Drachmes.		£
Imports	26,914,010	=	996,929
Exports	15,399,058	=	549,966

From 1858 to 1862 inclusive.

Imports	50,511,021	=	1,803,965
Exports	30,287,208	=	1,081,686

This shows a considerable increase, particularly as regards the export trade. Compared with this last average, the imports for 1863 increased ; but there was a decrease of nearly 5,000,000 drachmes (178,571*l.*) in the exports, which is to be attributed to the effect of the revolution.

The carrying trade of the country has always been very extensive. During the five years ending in 1863 the average number of ships was 4,200, and their tonnage 263,000 ; and the number of seamen was 23,910.

The merchant navy of Greece is now estimated at 4,500 and 300,000 tons, and the number of seamen is estimated at 26,000. These figures do not seem to be overstated, for

a large part of the trade to eastern ports is carried by Greek ships. From shipping returns, which do not include ships belonging to the Ionian Islands, it appears that at the port of Constantinople the tonnage of the Greek ships which entered from 1861 to 1864 was only slightly lower than that of the Italian ships, and in 1864 the Greek ships headed the list with 755,848 tons, out of a total of 3,787,722 tons. In the Danube the tonnage of Greek ships is more than a fourth of the whole amount returned. At Volo, Schio, Soukhoum Kale, Scala Nuova, and some of the less important eastern ports, the Greek flag also figures very high in the shipping lists.

Produce of the Country.—The soil of this country and its climate are well suited for the cultivation of cereals, olives, figs, tobacco, vines of every variety, the valonea, oak, and cotton.

The olive forests, which are still very extensive, particularly in the Ionian Islands, are not as productive as they might be, were they cultivated with more care.

The amount of figs produced is very large, and the amount imported from Messenia in 1866 was estimated at 8,595,927 quintaux of 44 okes, and the tax and the usufruct have produced 179,938 drachmes (6,426*l.*).

Cotton, according to an estimate made in 1864, was cultivated on 100,000 stremma (about 25,000 acres), and the produce was 10,500,000 lbs., which was valued at 31,500,000 drachmes, or 1,125,000*l.*

Vines prosper, and almost every variety is to be found in the volcanic soil of Santorin, where a good deal of wine is made.

The currant, also called papolina in the East, is the most profitable and best cultivated crop in Greece. There is a theory that it is a variety of the common vine, which has originated in a system of grafting which has been practised in the East since a very remote period. It consists in grafting on a branch a slip cut from the same branch, and this operation, carried on for some years, would appear to metamorphose the fruit and change the nature of the plant. Unlike other vines which prefer the dry sides of hills, the currant plant rarely succeeds at any elevation, and requires a great deal of moisture. Close to the sea seems to suit it best, and along the shores of the Gulf of Corinth, between the town of Corinth and Patras, is the most prosperous currant district. The amount

exported last year up to the end of November was 107,579,879 Venetian lbs., of which 84,030,079 lbs. were produced in the ancient province, and the rest at Zante and Cephalonia. The tax produced in the ancient provinces was 1,302,465 drachmes, at 15½ drachmes per 1,000 lbs.; and the export duty at 1 drachme per 1,000 lbs. was 84,030 drachmes. In the Ionian Islands the tax was 18 per cent. of the value, and it produced 593,443 drachmes. This would make for the whole exportation 1,979,939 drachmes (about 70,715*l.*).

The cultivation of corn has been much neglected and is in a very backward state. Besides the great difficulties placed in the way of the cultivator, he, on his part, is too wedded to old habits and old traditions. The plough of ancient days still travels about on a mule's back and scratches the soil, and the ox and the horse still stamp out the grain on the threshing floors.

One great drawback to improvement was the tax on the produce, or rather the tithe, which has now been reduced, and its manner of collection greatly altered. This tax was the same as the Turkish dimes, a tax on which that Empire relies for so large a portion of its revenue, and which has had such evil effects on its agriculture and its agricultural populations.

It was levied in Greece during the dominion of the Turk, who, when driven out of the country, would seem to have left his sting behind him. The tax, though it has been reduced, is considered by many not to have been too high, and it is by far the most important item in the Greek revenue. The evil would seem rather to have been in the manner of collecting it; and this has been entirely changed. The old system of collection was eminently fitted to destroy all energy and enterprize on the part of the cultivator, who, it is said, would often make no effort to better his state, and, content to raise crops sufficient to support his family, would hoard his money or bury it in the ground. By the old system of collection the farmer of the tax had complete control over the crop from the moment it began to ripen, and directed every agricultural operation. He had a right to the services of the cultivator to carry his tenth to the nearest market; and when at last the cultivator could turn his attention to his own portion of the crop, and could get it to market, he found himself forestalled by the tax farmer, who, first in the market and the largest seller,

obtained the custom of the merchants making up cargoes. By the present system the tax-farmer has only the right to verify the amount of the crop, and whether it has been raised on private or on national property, and this he does on the public threshing-floors, delivering a certificate to that effect to the cultivator. The cultivator can appeal against the decision of the farmer, and the amount of the tax is afterwards received by a Government collector, either in money or kind, at the option of the cultivator. This change would seem a great improvement, and it had often been urged on Government, but it only passed the Chambers during the last revolution under strong pressure.

The want of roads is much felt, and, excepting for those who live close to the sea, the expense and waste caused by transporting grain on the backs of mules or horses over a rough track, seriously affects the profits. The Minister of the Interior stated the number of roads actually completed last year at thirteen, with a length of 244,785 mètres, and those still unfinished, numbering five, at 133,261 mètres, of which 33,355 mètres are still unfinished. The oldest of these roads is one from Nauplia to Argos, which was made in 1830, and the total amount of road which has been made would thus be 344,691 mètres, a little over 226 miles; and the cost of these roads, which is calculated at an average of 15 drachmes per mètre, would be 5,185,365 drachmes. A road is also said to be making between Xerokhori and Orei, a distance of 2,500 mètres, but it is not stated how far it has advanced.

The number and audacity of the brigands has prevented many from purchasing land or from living on their estates. The recent cases of a landed proprietor being captured in his country house, and of a poor Athens tradesman, out on business, being taken within a few hours of Athens, and a ransom, large for his means, demanded, are little calculated to attract men or their money to the fertile soil of Greece. The peasants seldom if ever give information or assist in any way in the capture of the brigand. They believe that he is protected by the authorities, and they have little confidence in the Greek army.

Area of Greece and National Property.—The area of this country is estimated at 900·6 German square miles, and of the Ionian Islands at 48·96 German square miles. This in English square miles would make about 19,147 miles, and 1,041 miles, and in the measurement of the

country 49,589,639 stremma and 2,695,779 stremma, and for the whole kingdom 52,285,418 stremma.

In the ancient provinces between 21,000,000 and 22,000,000 stremma are capable of being cultivated, over 16,000,000 stremma of which belong to the country, and about 5,500,000 are private property. Of all this the actual amount of land cultivated is supposed to be 7,000,000 stremma. The forests are reckoned at about 1,000,000 stremma.

The following shows the value of the national property as estimated last year:—

	Drachmes.
6,000,000 stremma valued by the Council of State at	200,000,000
35,000 olive trees at 40 drachmes	14,000,000
3,500,000 stremmas of plantations, partly national and partly private property	90,000,000
Property called perishable property, consisting of vineyards, gardens, workshops, and buildings..	16,000,000
Marsh and uncultivated land	10,000,000
Mines and quarries	30,000,000
Forests	10,000,000
Total	370,000,000

The national property is classed under the two heads of perishable and not perishable. The former consists of houses, mills, gardens, and plantations of different sorts, and vineyards; and the latter is the bare land. The perishable property is let for a year and at times for a longer period, and is sufficiently identified and under control to prevent its being appropriated. The same cannot be said of the not perishable property, for though it is protected by a law which reserves to the State its right to all the land which it owned in 1843, the difficulty of proving that right against a squatter in possession would be very great, with no cadastre or survey of any sort and no proofs but the local traditions. The question of distributing the national property has frequently been discussed in the National Assemblies, and a law on the subject was passed in 1835. By this law the land was adjudged to the highest bidder, and so great was the emulation that the land went for high prices. The buyers, however, were unfaithful to their engagements, and the State lost both the annuities which were to have been paid during thirty-five years for the price of the land and the usufruct which the buyers had engaged to pay in money. In 1855 a law passed the

Chamber which released the buyers from all arrears of interest and allowed thirty-five more years for the payment of the price of the land, by means of a sinking fund at 2 per cent. per annum. This law was disregarded like its predecessor, the buyers accepting the remission of arrears, but still avoiding to pay their debts. A draft of a law having the same object in view was sent in 1865 by the the then Minister of Finance to the Prefets for their opinion on it. The arrangement proposed was to allot to the 50,000 agricultural families now cultivating the national property, 60 stremmas or about 15 acres. This would take about half the amount of land, which was 6,000,000 stremmas (about 1,500,000 acres), and the remaining half was to be disposed of to other families. The Minister values the stremma at 15 drachmes, which would make a capital of 90,000,000 drachmes, which at 4 per cent. interest, and including a sinking fund, would have given a yearly revenue of 3,500,000 drachmes (125,000*l.*), and the produce of the tax.

An Account of the Taxes and Sources of Revenue.

Finances.—The revenue, which in 1829 amounted to but 4,000,000 drachmes, was derived from the following sources :—

1. A tenth of cultivated land.
2. Custom duties.
3. Farming, salt-works, and fisheries.
4. Cattle tax.
5. Duties on houses, mills, and shops, and passports, quarantine, &c.

Though the taxes of the present day are more numerous the principal sources of revenue have remained the same.

The "impôt foncier" or tax on the produce of the land, and the usufruct, which is always added to it, is by far the most productive of the taxes, and brings in about three-eighths of the whole revenue; the next in importance are the customs, which produce about one-fifth; stamps and the cattle tax come next; and of the other taxes that on houses is the highest, but it barely reaches 1,000,000 drachmes. The taxes are divided into direct taxes, indirect and various taxes.

Direct Taxes.—The tithe or tax on the produce of the land is either farmed, levied on the stremma, or collected on exportation or on the produce being transported by sea

from the place of production. Among those which are farmed are those on cereals, at the rate of 5 per cent. on the gross produce. The amount to be paid is fixed according to the price of produce settled at the beginning of each month by the municipal authorities, and the money is collected by a government official. The tax on oils is at 7 per cent. and is taken in kind by the farmer of the tax at the oil mills. There is a tax of 20 leptas (about 2*d.*), on raisin de Corinthe, used for making wine. Resin, pepper, lime, and different sorts of forest produce, pay 7 per cent.; metallic mines are assessed at 5 per cent.; and marble quarries at 10 per cent. of the value.

The following Table shows the manner of levying the tax by the stremma:—

	Average produce of a Stremma.	Tax. Drs.	ls.
Vines	Up to 11 drachmes	0	50
„	From 11 to 21 drachmes	1	25
„	From 21 to 31 drachmes	1	75
„	From 31 to 41 drachmes	2	45
„	Over 41 drachmes	3	50
Orchards	Unnder 45 drachmes	2	10
„	From 45 to 75 drachmes	4	20
„	From 75 to 105 drachmes	6	30
„	Above 105 drachmes	8	40
Almond trees	Without distinction as to quality	1	40
Kitchen gardens, melon and potatoe fields	Under 45 drachmes	2	10
	From 45 to 65 drachmes	3	85
	Above 65 drachmes	5	0
Fodder and clover	Under 30 drachmes	1	10
„ „	Over 30 drachmes	2	45
Tobacco	Under 30 drachmes	1	75
„	From 30 to 50 drachmes	2	80
„	From 50 to 70 drachmes	4	20
„	Over 70 drachmes	5	60

Vines under five years' growth are exempted from the tax, also one stremma to be used as a kitchen garden by the proprietor, and also all fruit trees planted in such a garden. The tax is assessed on a declaration made before the Mayor by the cultivator. The classing of the land is entrusted to the municipal authorities, assisted by some of the most influential proprietors of the district. For vineyards and gardens the first declaration is considered final, but for other properties it is renewed every year. The direct taxes levied at the Custom-house are: first, on currants 10 drachmes per 1000 Venetian lbs., on cocoons

1 drachme 40 leptas per oke, on silk 4 drachmes per oke, on cotton 9 drachmes per quintal, and on raw cotton 3 drachmes. The above are only charged on exportation to foreign parts. Secondly, taxes which are levied when the goods are exported or transported to home ports: valonea, 75 leptas per quintal, gall nuts 7 leptas per oke, garance 1 drachme 40 leptas per quintal, dried figs 1 drachme 5 leptas per quintal. Lemons and oranges pay respectively 70 leptas and 1 drachme 40 leptas per 1,000. Citrons, cocoons, and silk pay per oke 2 leptas, 1 drachme 40 leptas, and 4 drachmes. The tax on bees is 25 leptas for each hive, and the cattle tax is 25 leptas per head on goats and sheep, 50 leptas on donkeys, and bulls, cows, buffaloes, mules, horses, and pigs, 1 drachm per head; lambs, kids, sucking pigs, and the young of larger animals up to the age of two years are exempted from the tax, as also all animals used for labour. The tax on houses is 6 per cent. on the rent for which it is let or might be let. A list of the houses to be taxed, with a declaration of their value, is drawn up by a Commission composed of the Intendant des Finances, the Mayor of the district, and a mason. This list is published during a fortnight, during which time a protest may be entered against it. The matter is finally decided by the Sous-Préfet, the President of the Municipal Council, and a Justice of the Peace, and their decision remains in force during five years. Houses which are not let, and whose rent value does not exceed 240 drachmes per annum, shops which have not been used for a whole year, are exempted from this tax, as are also houses in rural districts, and houses newly built, for the first two years. The tax on patents is paid by all persons engaged in a profession or in trade. It is assessed by the same authorities as the house tax, who are assisted by three members of the profession of the person applying for a patent, or by three members of the corporation of the trade to which the applicant belongs.

The Indirect Taxes.—The stamp duties are divided into two classes, first, paper with a stamp to order, the value of the stamp varying, in seven classes, from 25 leptas up to 10 drachmes; and, secondly, paper with a proportional stamp, which is divided into thirty classes, beginning at 25 leptas, and going up to 60 drachmes.

Custom-house dues.—The duties on exports are still imposed on a a small number of articles, but have mostly

been abolished last year. The only exceptions are 1 drachme on 1,000 Venetian lbs. of currants, and 1 lepta per oke on oils, both of which will be abolished on the 5th of October, 1867. The import duties are based on the principle of 10 per cent. on the value of the articles imported; but articles of luxury are charged somewhat higher, and in some cases at 15 per cent., while articles of general utility and raw produce are charged even as low as 5 per cent. Articles used for farming or for gardening, machines for the use of industrial institutions, scientific instruments, &c., are exempted from duty, as also are coals, printed matter, and trees or shrubs for planting. The duty on warehousing in a public warehouse is 1 per cent. of the value of the article for four months, and half that sum in a private warehouse. Cereals do not pay duty in a private warehouse. There are also navigation, anchorage, and sanitary dues.

The various taxes include the salt dues, which are 10 leptas per oke. The fisheries belonging to the State are leased for periods of some years to private individuals. The tax on cutting timber is 10 per cent. when grown on private property, and 25 per cent. when on public property.

The Revenue and Expenditure, and Financial Arrangements. — The ordinary revenue of Greece was barely 8,000,000 drachmes in 1833 (about 285,712*l.*), and it had doubled in 1840. The Revolution three years afterwards depressed it, and for some years it averaged but 11,500,000 (410,714*l*). In 1849 it was at 535,710*l.*, and it continued to rise steadily till 1860, when it had reached 24,264,205 drachmes (866,578*l.*) This was the last of a more prosperous period, and in the following year the revenue had fallen 2,500,000 drachmes, and the Revolution and the sudden reduction of the *impôt foncier* from 10 per cent. to 5 per cent. kept it below 17,000,000 drachmes (607,043*l.*) for the two following years. This Revolution did not have the same lasting effect on the revenue as the former one; and in 1864 the revenue was again 22,000,000 drachmes (785,708*l.*) Taking the budgets from the year 1835, when the country was beginning to recover from the fearful ordeal through which it had passed, we find an average revenue during twenty years of 13,776,721 drachmes (about 492,025*l.*); and during these years the total increase was but 125,000*l.*, but it must not be forgotten that this period includes a Revolution The average

ordinary expenditure during these years was 13,653,885 drachmes (487,639*l.*) During the next ten years the revenue averaged 20,472,017 drachmes (about 731,144*l.*), and the expenditure 21,098,248 drachmes (753,509*l.*) This would make a total increase during the thirty years ending with 1864, for the revenue, of 9,175,760 drachmes (327,706*l.*), and for the expenditure of 7,970,886 drachmes (284,675*l.*) The amount received from loans, and entered as extraordinary receipts was, from 1833 to 1843, 99,000,000 drachmes (2,464,266*l.*); and the extraordinary expenditure, in which is included some large payments to Turkey, was 52,626,000 drachmes (1,879,500*l.*) From 1843, at which period the country gave up providing for the foreign debt (till in 1862, when an arrangement was made as regards the Rothschild loan), up to 1864, the extraordinary receipts were 6,117,120 drachmes (218,469*l.*), and the expenditure 4,219,184 drachmes (150,685*l.*). The total of the budgets, extraordinary and ordinary, from 1833 to 1864, was about 23,392,398*l.* of revenue, and 23,253,396*l.* of expenditure. In 1861, the revenue fell, and there was a deficit which was met by the balances from former years; but the low revenues of the two following years, and a larger expenditure, made it necessary to have recourse to loans. This internal debt amounted, according to the estimate published by the late Minister of Finance, in July last, to about 27,500,000 drachmes (982,135*l.*), and was classed by the Minister as follows:—

Loans with a Sinking Fund.

	Drachmes.
1. National loan sanctioned by the Provisional Government in 1862, bearing interest at 6 per cent., and with a sinking fund at 1 per cent. ..	4,776,000
2. A loan contracted with the National Bank, with interest at 8 per cent., and a sinking fund at 2 per cent.	1,500,000
Total..	6,276,000

Provisional Loans and Floating Debt.

1. Three loans contracted with the National Bank at 6 per cent., and the interest secured on the revenue of the emery mines, &c.	2,936,000
2. Treasury bonds	6,000,000
3. Bonds of the Ionian Islands at 5, 6, 7, and 8 per cent.	4,821,000
Total..	13,757,000

	Drachmes.
Different accounts	3,011,000
Arrears of the ordinary expenses	4,460,000
Total..	27,503,100

From another report published by the late Minister of Finance it appears that about 2,500,000 drachmes are to be deducted from the above account, owing to Treasury bonds of nearly that amount having been given in payment of the taxes. The internal debt, therefore, according to the statements of the late Minister, would be about 25,000,000 drachmes (892,857*l.*). The balance in the Treasury the Minister states at 13,500,000 drachmes (482,143*l.*), and he expresses the hope to be able to meet with this balance the expenditure for the last quarter of 1866, and the first months of the present year. The first months of the year bring in but a small amount of revenue, as the direct taxes are not collected till the second half of the year, and it is therefore believed that the first months of the year will greatly embarrass the Government.

The sanguine anticipations of the Government have inspired but little confidence, and, with the payment of the salaries of officials, three and four months in arrear, and with the pensioners of the State having had to wait even longer, few can believe in a real balance in the Treasury. The necessity, in the present hopeless state of the finances, that some arrangement should be made with the foreign creditor is at last beginning to force itself on the more practical minds in the country, and on those statesmen who look beyond their own interests.

It is only to be regretted that a settlement of these debts should have been delayed till a time when the credit of the country is so low and the finances in such a deplorable state.

The foreign debts are three in number—the Rothschild loan, guaranteed by the three Protecting Powers; the Bavarian loan, which has never been recognized, and which now amounts, with the arrears of interest, to about 178,600*l.*, and the bonds of 1824 and 1825. These bonds, which last year amounted to 7,250,000*l.*, have given rise to much discussion, but the weak and dishonest arguments advanced for their repudiation have had but little effect, and the money markets of Europe still remain closed to this country.

The only arrangement of these debts which would be accepted by the bondholders would be to make a fresh loan which would absorb them. The capital of the debt would be fixed at about 1,000,000*l.* sterling. It would bear interest at 8 per cent., and the interest would be secured either on the Customs or on the revenue derived from the Emery Mines. No sinking fund would be required for five years, and it would then begin at 2 per cent., and would increase every five years so as to pay off the debt in about twenty-seven years. About 1,000,000*l.* sterling, it is supposed, would be required as a new loan, and of course this would be subject to the same conditions as the debt. An assurance would also be required that the money advanced would be employed in paying the floating debt and redeeming the Treasury bonds still in circulation, and any other use to which it might be intended to put it would have to be specified. Without such an assurance it would be difficult to find subscribers to the loan. If the sum required for the new loan amounted to 1,000,000*l.* sterling, the charge for interest for the whole loan would, it is supposed, be between 5,000,000 and 5,250,000 drachmes, but this would necessarily depend on the price at which the loan could be negotiated.

The accounts for 1865 are said to show a deficit of at least 3,000,000 drachmes (107,143*l.*).

Revenue in 1865.

	Currency.	Sterling.
	Drachmes.	£
Direct taxes	13,122,000	468,643
Indirect taxes	9,490,000	338,929
Post Office and Telegraph	681,700	24,346
Public property	2,505,760	89,491
Sale of public property	998,000	35,643
Various revenues	1,056,225	37,722
Arrears	300,000	10,714
Total	28,153,685	1,005,488

Among the direct taxes, the tithes, to which is joined the usufruct, amount to 10,262,000 drachmes (366,500*l.*), the tax on cattle to 1,350,000 drachmes (48,214*l.*), and the tax on houses to 900,000 drachmes (32,143*l.*) Among the indirect taxes, the Customs bring in about 6,500,000

drachmes (232,143*l.*), and the stamps 2,600,000 drachmes (about 92,857*l.*)

Under the head of public property, the most important sources of revenue are as follows :—

	£
Mines and quarries	16,021
Salt	23,214
Fisheries	8,750
Wood and forests	13,411
Olives	7,143
Vines	7,700

The following is the expenditure :—

	Currency.	Sterling.
	Drachmes.	£
Foreign debt	1,355,496	48,411
Internal debt	1,765.870	63,067
Pensions	2,120,176	75,723
Civil list	1,125,000	40,179
Indemnities to Deputies	408,520	14,584
Public Departments—		
Foreign Affairs	687,436	24,552
Justice	2,282,579	81,522
Interior	6,079,778	217,135
Religion and Public Instruction ..	1,677,601	59,915
War..	6,538,039	233,502
Marine	1,751,717	62,562
Finance	1,225,400	43,764
Expenses in collecting the taxes ..	2,109,235	75,330
Arrears and various expenses ..	693,000	24,750
Total	29,819,847	1,064,994

An economy which the late Government attempted to introduce was a reduction of the enormous number of officials, and it was calculated in the accounts for 1866 as a saving of 1,600,000 drachmes (57,143*l.*), but it is supposed that not one-fifth of that sum will really be economized.

The number of officials is certainly very large, and it is supposed to be over 10,000. This would make the enormous proportion of one official to every 133 inhabitants ; a proportion considerably greater than the one in Austria, which was lately calculated at one official to 340 inhabitants, and was considered excessive.

State of the Country.—We are told by the Athens press, and by the numerous pamphlets which appear, that this country has made and is still making great

progress; but this is not so apparent, and the generally disorganized state of the country, an empty treasury, and anarchy prevailing in most of the towns, and cases of bankruptcy so frequent, are a strange comment on such assertions.

The population, which, as has been seen, increased rapidly for some years, and during the period when a considerable number of Greeks from the Turkish Provinces settled in the country, has for some years made but little progress, and the rich Greeks, settled in all the commercial cities of Europe, seem to see little inducement to live in a country of which they claim to be the citizens, or to invest in her fruitful soil.

Cultivation, with the exception of currants, is still carried on in the barbarous manner of former days, and about two-thirds of land in the country which is capable of cultivation still lies idle.

Though capital is seldom invested in land, it is not wanting in the country, but it is mostly invested in building, or in commercial enterprises. The large amount annually spent on building, and the rapidity with which towns have risen on the ruins left by the Turks, is very remarkable. Ten new towns are said to have been founded, and thirteen rebuilt; and among these, the capital, Syra, Patras, Argos, and the Piræus, may be mentioned as prosperous and growing towns.

Were it not for the difficulty of communication, the want of securities for life and property, and the many obstacles invented by the ingenuity of man, there can be little doubt that foreign capital would find its way into a country with so fertile a soil, and with so great an amount of underground riches.

Manufactures are few and unimportant, and the chief strength of the country lies in its maritime population.

As a trader, the Greek displays energy and skill which contrasts strongly with the apathy and want of enterprise of the Greek farmer.

The commerce and trade of the country had greatly increased of late years, but the past year has been an unfavourable one, which is to be attributed to the rising in Crete, and the excitement on the frontiers of the country, which, happening at a time when Greece had not recovered from the evil effects of the last revolution, has brought about much ruin and bankruptcy on every side.

Education in Greece is within the reach of all classes, and, even in its higher branches, of families with the smallest means. In the University the total number of students since its first establishment in 1837 was 4,621, and of this number the following was the proportion of the diplomas given :—

Faculty of theology	6
„ medicine	448
„ law	415
„ letters	46
„ masters of the Greek language ..	37
School of pharmacy	158
Total	1,110

Last year the number of students was 1,182, and the proportion in which the faculties were represented in 1865 and 1866 was as follows :—

	1865.	1866.
Faculty of theology	33	43
„ medicine	215	238
„ law	632	674
„ philosophy	182	191
School of pharmacy	36	36
Total	1,098	1,182

The diplomas given in 1866 were in the following proportions :—

Faculty of theology	1
„ medicine	27
„ law	65
„ philosophy	13
School of pharmacy	7
Total	113

The two faculties of Medicine and Law have always been in the same high proportion, and for the last few years the faculty of Law has been in excess of that of Medicine. A large number of men are thus annually educated for the two professions of law and medicine, both of which are greatly overstocked.

These young men are frequently the sons of small tradesmen or of peasant proprietors, and unfitted by their education to follow the calling of their fathers, and having a rooted conviction that the diploma they have obtained gives them a claim, or even a right, to a place under

Government, they devote all their energies to get one. The usual manner of achieving this is to make use of the influence of electors on the Deputies, and the Deputies are, in their turn, forced to support such claims, and besiege the Ministers with endless applications for Government places. The Minister, afraid to lose the support of the Deputy, and hard pressed to find places for the large tribe of applicants, is sometimes driven to create new places, or even to turn out those holding office.

This system of political intrigue pervades all classes, and even the brigand owes his immunity to political causes. Its evil effects are seen in a Chamber which does not act as an effective check on the public expenditure, and which is far from independent.

The want of zeal among the official class is no doubt in a great measure caused by their uncertain tenure of office. The official has little inducement to act differently from what he does, for his salary is quite inadequate to supply his wants, and he has constantly the fear before his eyes that at a moment's notice he may be turned adrift to make way for the supporter of an incoming Minister.

There is no reason to suppose that under a better system Greek officials might not be as trustworthy servants of the State as the officials of other countries, and the benefit of such a change would soon show itself in a better administration and in a larger collection of taxes. In the actual state of affairs, measures, however well drawn up, are of little practical use, for their effect is generally destroyed by bad administration, or by the opposition of those whose intereststhe measures may not suit.

The sale of national property in 1835, when the purchasers, some of whom were members of the Chambers, were able to set aside the law and dishonour their engagements, is but one case in a great many, and clearly shows how powerless Governments have always been to resist the pressure of political influence, and to enforce the laws.

Till the servants of the State are made a more efficient body of men, and till this system of political intrigue, which paralyzes all progress, is swept away, Greece will never rise to be a great and prosperous country.

(Signed) J. W. ELLIS.

REPORTS

BY

HER MAJESTY'S SECRETARIES

OF

EMBASSY AND LEGATION,

ON THE

MANUFACTURES, COMMERCE, &c.,

OF THE

COUNTRIES IN WHICH THEY RESIDE.

Presented to both Houses of Parliament by Command of Her Majesty.
April 1867.

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Bavaria.

Report by Mr. Fenton, Her Majesty's Secretary of Legation.

December 31, 1866.

Railways.

THE Board of Management of the Railways belonging to the Government, and the Directors of the several Railway Companies of Bavaria, have recently published some very detailed Reports respecting the length, the cost of construction, and the traffic of their respective lines of railway. And, as the general system of railway communication in Bavaria may be now considered as established in a tolerably complete form, and the Reports in question present, when taken as a whole, a comprehensive amount of the condition of the entire network of railways as it existed at a recent date,—namely, at the close of the financial year 1865, as well as of the details of the traffic for that year, I purpose giving in this Report a summary of the information contained in those publications. I shall likewise add some details, taken from official returns, respecting the working of the electric telegraph and postal establishments of Bavaria.

The railway system of Bavaria consists of three different groups, namely:—

1. The "Royal State lines," constructed at the expense of the Government and worked under the management of a special Board or Department of the State.

This group is by far the most considerable of the three, and comprises the whole network of lines forming the communication between the capital, and the northern, western, and southern districts of the kingdom, and with the States lying beyond the frontier in those directions.

2. The Eastern Railways constructed by a Joint Stock Company and communicating between Munich and the eastern and north-eastern districts of Bavaria, and with Bohemia and other parts of the Austrian States.

3. The railways of the Trans-Rhenish portion of the Bavarian Dominions, known as the Palatinate or Rhenish-Bavaria, all of which likewise belong to joint stock companies.

The two former of these groups, represent altogether an extent of about 1,380 English miles, already constitute a means of communication between Munich and the railway systems of all the States bordering on Bavaria; between the capital and all the more important cities of the kingdom and between the majority of those cities one with the other.

The Bavarian Government, however, decided some time ago on the construction of two new lines of railway as additions to the group belonging to the State, namely,—

From Munich to Ingalstadt, a place of no great importance as a town but the principal fortress of Bavaria-Proper, situated on the Danube about forty-five miles due north of Munich; and, secondly, a line from Munich through the eastern portion of the Province of Upper Bavaria to Braunan near the Austrian frontier, and thence by the valley of the Tun, to the Austrian station of Scharding (on the line from Vienna to Passau), the chief objects to be obtained by the construction of this latter line being to open a communication between the capital and the great corn-producing districts in the eastern division of the Province of Upper Bavaria, and also to establish a more direct route than that which now exists (by means of the Eastern Companies railway viâ Straubing) between Munich and Passau.

The works of the former of these two new railways are already in a forward state, and it is expected that they will be completed and the line opened to traffic in the course of next year.

As regards the latter line, only the preparatory steps towards its construction have yet been taken.

But by far the most important work in connection with the railways of Bavaria, or rather with reference to the influence which it cannot fail to exercise on their future prosperity, is one which is now being carried into effect in the neighbouring Austrian Province of the Tyrol, namely, the construction of the railway from Innspruck, across the pass of the Brenner to Botzen. This line, when finished, will constitute, in conjunction with that from

Botzen by the valley of the Adige to Verona (which has already been in operation for some time), the first complete line of railway across the range of mountains which form the northern boundary of Italy; and an uninterrupted communication by railway will thereby be established between Italy and the whole of the northern continent of Europe.

The works of the Innspruck and Botzen railway,—which is being constructed by the Austrian Government,—are, it appears, already in a very advanced state, and, had it not been for the interruption caused last summer by the war between Austria and Italy, they would have been completed, and the railway opened to traffic by the month of May next: as it is, the opening of the line is not expected to take place before July.

The only other line of railway across or through the Alps, yet commenced, is that of the Mont Cenis (the Vienna, Trieste, and Venice line, can, of course, not be reckoned), and, according to the last official reports, it seems that the tunnel through the mountain cannot be finished in less than about five years from the present time; whilst the railway by the Corniche, from Toulon to Genoa, is stated to be still very far from completed.

It follows, therefore, that for some time to come the monoply of the railway traffic between the countries lying to the north of the Alps and Italy will fall to the share of the Innspruck and Verona line; and as access from the north is only to be obtained to that line by means of one or other of the railways of Bavaria which converge from different points of the Bavarian border on Munich, and thence by the Rosenheim railway to the frontier station of Kufstein, where the Austrian portion of the line from Munich to Innspruck commences, the result will be that until some other communication by railway than that by the Brenner pass be established across the Alps, the whole of the railway traffic in question, namely, that between northern and central Europe and Italy, must, of necessity, pass over some portion of the Bavarian network of railways.

Before entering upon a detailed account of the three groups of railways now in operation (as already stated) in Bavaria, and of the railway traffic of the kingdom during last year, I may state that, as a general rule, the organization and management of the Bavarian railways are extremely

good. The lines themselves are well and substantially constructed, the stations as a general rule, large and commodious, and the accommodation afforded by the passenger carriages equal to that on the best-regulated lines of the Continent of Europe, the second-class carriages being especially good of their kind. Indeed in Bavaria, as in Germany generally, it is by those carriages that the great majority of the better classes of the population are in the habit of travelling, the first-class carriages being resorted to chiefly by foreigners.

The speed of the passenger trains in Bavaria is not a high one, that of the fastest of the express trains (of which there are but few) not exceeding about 30 English miles the hour, and that of the ordinary trains varying from 16 to 20 miles.

On the other hand, great punctuality is observed, as a general rule, with respect to the departure and arrival of the trains at the hours fixed by the Time Tables, this being rendered especially necessary by the circumstance that the Bavarian railways are constructed almost throughout on the system of a single line. But the most satisfactory part in connection with railway travelling in Bavaria, and one which speaks loudly in favour of the system of management adopted, is the almost total absence of accidents to the trains.

The passenger fares are, on the whole, moderate, being by the moderate trains at the rate, on an average, of, as nearly as possible, $1\frac{1}{4}d.$ per English mile for the first class, $0\frac{3}{4}d.$ per mile for the second class, and a trifle less than $0\frac{1}{2}d.$ per mile for the third class; but as a general rule, all luggage has to be paid for separately. By the express trains the fares are 20 per cent. higher than by ordinary trains; and it is also to be observed that the former comprise only first and second-class carriages.

The rails with which the Bavarian lines have been constructed were, I understand, imported chiefly from Belgium; and in the first instance the railway engines and passenger carriages were likewise brought from abroad. But the manufacture of both engines and carriages is now thoroughly understood in Bavaria.

The largest and most renowned establishment in the country for the construction of railway engines is that of Mr. Maffei, in the immediate neighbourhood of Munich. He has now, I believe, nearly a monopoly so far as the

supply of engines for the railways of Bavaria Proper is concerned; and the success and extent of his operations in this branch of manufactures may be judged by the fact that his establishment lately turned out its 600th railway engine.

The passenger and other carriages used on the Bavarian railways are constructed principally at a large carriage-building establishment at Nuremberg.

Royal State Railways.—The entire length of the network of railways constructed by the Bavarian Government, and known as the "Royal State lines," was 324 Bavarian leagues (2½ English miles each) at the end of the fiscal year 1863-64.* During the year 1864-65 it was increased to 351½ leagues (about 879 English miles) by the opening of the line from Nuremberg to Würzburg, 27½ leagues in extent, and the network consisted at the end of that year of the following lines :—

	Length in Bavarian leagues.
"Northern and Southern Line" from Linden on the Lake of Constance, passing by Augsburg, Nordlingen, Nuremberg, Bamberg, and Lichtenfels, to Hof, on the Saxon frontier, with branches from Nordlingen to the Wurtemberg frontier, and from Lichtenfels to Coburg	$155\frac{18}{100}$
"Western Line," from Bamberg by Aschaffenburg to Kahl on the frontier of Hesse-Cassel	$55\frac{43}{100}$
"Maximilian Line." First section—from Ulm on the Wurtemberg frontier to Augsburg	$22\frac{44}{100}$
Ditto. Second section—From Augsburg to Munich .	$16\frac{54}{100}$
Ditto. Third section—From Munich by Rosenheim to Kufstein on the frontier of Austria (Tyrol), with a branch from Rosenheim to the Austrian frontier at Salzburghofen	$50\frac{33}{100}$
Line from Ansbach to Würzburg	$23\frac{97}{100}$
Line from Würzburg to Nuremberg	$27\frac{53}{100}$
Total length	$351\frac{59}{100}$

Equal to 897 English miles.

Of this total, several short sections, measuring altogether 10½ Bavarian leagues (26½ English miles), were let to foreign railway companies or to mining companies. On the other hand, the Bavarian Government held on lease different lines or sections of railway constructed by private

* The fiscal or financial year in Bavaria commences on the 1st of October, and ends on the 30th of September of the following year.

companies or individuals, having an aggregate extent of 58¼ Bavarian leagues (145½ English miles). The lines so held were the following :—

	Length in Bavarian leagues.
From Pasing on the Munich-Augsburg line, to Tutzing on the Lake of Starnberg	$8\frac{69}{100}$
From Bayreuth to Neumarkt, on the main line from Bamberg to Hof	$5\frac{62}{100}$
From Gunzenhausen on the Augsburg-Nuremberg line, to Ansbach	$7\frac{26}{100}$
From Höchstadt on the Bamberg-Hof line, to the coal district of Stockheim	$6\frac{62}{100}$
From Holzkirchen on the Munich-Rosenheim line, to the coal district of Miesbach	$4\frac{70}{100}$
From Ulm, on the Wurtemberg frontier, to Kempten on the Lindau-Augsburg line	$22\frac{96}{100}$
Three short sections at frontier junctions	$2\frac{34}{100}$
Total	$58\frac{19}{100}$

Equal to 145½ English miles.

Therefore at the end of the year 1864–65, the total extent of the railway lines actually in the hands of the Bavarian Government and worked under the direction of the State Railway Department was 399¼ Bavarian leagues, about 998 English miles.

The State railways are constructed almost throughout with a single line of rails, there being only 36½ leagues, about 91 English miles, of double line on the whole extent of 399½ leagues, namely :—

	Leagues.
On the Northern and Southern line	6
Western Railway	11
Maximilian Railway	19½
Total	36½

The entire sum expended in the construction (inclusive of outlay for rolling stock, building of stations, &c.), of the 351½ leagues of railway belonging to the State, which were open to traffic at the end of the fiscal year 1865, was 146,329,939 (12,194,161*l.*), equal to an average expenditure of 416,088 florins per league, or about 13,873*l.* sterling per English mile.

The relatively most costly line was the short one from Nordlingen to the Wurtemberg frontier, the outlay on which, chiefly owing to the magnitude of the earthworks,

was at the rate of 828,135 florins per league, or nearly double the average cost per league of the whole network of lines.

The least expensive line was that from Ulm to Augsburg (1st section of the "Maximilian Railway"), the cost per league having only averaged 354,654 florins, about 11,820*l.* per English mile.

The 58¼ leagues of railway taken on lease by the Bavarian Government, are estimated to represent a capital of 15,931,595 florins (about 1,327,630*l.*) and a sinking fund of ½ per cent. per annum having been set aside for redeeming this sum, all the lines taken on lease will, in virtue of an arrangement entered into, become the property of the State at periods varying from the year 1909 to 1917.

The portion of the State lines which is let on lease to other Companies represents a capital of 4,778,081 florins (398,173*l.* sterling).

The following figures present at one view the amount of capital invested in the state lines :—

	Florins.	£
Cost of construction of 351½ leagues of railway belonging to the State	146,329,939 =	12,194,161
Ditto of 58¼ leagues of railway taken on lease by the State ..	15,931,595	1,327,633
Interest on capital advanced by the State for completing the line from the Bavarian frontier to Coburg	1,052,279	87,690
	163,313,813	13,609,484
Deduct cost of construction of 10½ leagues of State railways let to foreign Companies ..	4,778,081	398,173
This leaves as cost of 399¼ leagues of railway in possession of, and worked by the Bavarian Government, the sum of	158,535,732	13,211,311

The sum total paid during the fiscal year ended September 30, 1865, for salaries and wages of the whole staff of persons employed in the management and working of the State lines was 2,474,169 florins (206,180*l.* sterling), whilst the expenditure for keeping the lines in repair, renewal of rails, repairs of buildings of all sorts, &c., amounted to 2,507,047 florins (201,920*l.*)

The number of locomotive engines was increased by

29 during the year in question, and the total number in use at the end of the year was 319.

In the purchase of new engines, carriages of all descriptions, and new carriage wheels, a sum of 1,999,557 florins (166,629*l.*) was expended. For the repairs of old engines and carriages the expenditure was 1,250,058 florins (104,171*l.* sterling).

The entire distance run over by the 319 engines during the year was 2,012,458 Bavarian leagues, about 5,031,645 English miles.

Each engine therefore travelled a distance of 6,309 leagues in the course of the year, being at the rate of about 44 English miles per day.

The fuel consumed by the engines cost 1,086,567 florins (90,547*l.*) It consisted of the following materials :—

Stone coal	Tons ..	70,690
Bavarian brown coal ..	„ ..	14,919
Coke	„ ..	329
Condensed peat	„ ..	6,167
Ordinary peat	Cubic feet .	12,511,696
Wood	„ .	440,543

The outlay for materials for greasing the engines was 163,959 florins (13,663*l.*)

The cost therefore of the two items of firing and greasing for every Bavarian league (2½ English miles) performed by the engines, was at the following rate :—

	Per league.	Per league.
	Kreutzers.	*d.*
Firing	$32\frac{39}{100}$	$10\frac{80}{100}$
Greasing	$4\frac{88}{100}$	$1\frac{62}{100}$
Together	$37\frac{27}{100}$	$12\frac{42}{100}$

At the end of the year the number of carriages and waggons of every description was 6134. The passenger carriages, of which there were 947 in use, contained altogether seats for 33,785 persons, namely :—

First Class places	1,885
Second Class ditto	9,645
Third Class ditto	22,255

The entire distance over which the regular trains advertised in the time-tables travelled during the year, was as follows :—

	Leagues.
Express trains	375,016
Mail ditto	310,887
Ordinary passenger ditto	3,195
Mixed trains (carrying passengers and goods) .	130,624
Goods trains, with passengers	775,189
Ditto, without passengers	130,978
Total	1,725,889

About 4,314,722 English miles.

It is worthy of especial remark that during the whole year to which these returns refer (1864–65), not one accident of sufficient importance to interfere in any way with the regular daily traffic of the different lines. The only accidents of any sort which did happen consisted, in every case, of a train running partially off the rails, and in not one of these instances was a passenger injured ; but on the occasion of one of these accidents, which occurred near Neuenmarkt, and which was caused by the breaking of the axle of the tender, some persons belonging to the service of the line were hurt, and in the course of the year, nine persons, likewise employed on the railway lines, lost their lives in the exercise of their duties, whilst twelve persons, not connected with the railway service, were run over, either on the open lines or in the stations. But of those persons killed on the open lines there is reason to believe that three placed themselves purposely on the rails with a suicidal intention.

The gross traffic receipts for the year after, after an adjustment of the accounts for the through traffic with the administrations of those foreign railways which are in communication with the Bavarian network, amounted to 16,835,095 florins (1,402,924*l.* sterling), being equal, lesson the total mileage, to about 1,405*l.* 15*s.* per mile.

The following figures show the extent of the traffic under each different head, and the amount of revenue derived from it.

		Florins.
Passengers	5,753,125	5,331,392
Passenger luggage	14,414 tons weight.	250,207
Carriages	748	11,255
Horses, cattle, sheep, &c. ..	393,113 head.	290,076
Goods	1,957,943 tons.	10,952,165
Total gross traffic receipts		16,835,095

About 1,402,924*l.*

In the previous year, 1863-64, traffic receipts on a mileage of 921¾ miles were 1,215,941*l.*, being equivalent to about 1,319*l.* 3*s.* per English mile on the mileage open to traffic during that year.

The following Table shows the description of train, and the class of carriage in which the 5,753,125 passengers who travelled by the State lines during the year 1864-65 were conveyed, and the sum derived from each class of passengers :—

	Passengers.	Florins.
By express train, first class	30,999	269,994
Ditto, second class	527,878	1,626,204
Total by express train	558,277	1,896,198
By ordinary train, first class	13,824	47,312
Ditto, second class	531,489	685,219
Ditto, third class	4,612,395	2,655,413
Total by ordinary train	5,157,708	3,387,944
Total by express train (as)	558,277	1,896,198
Total by ordinary and express train ..	5,715,985	5,284,142
Military	37,140	47,250
Grand total	5,753,125	5,331,392

About 444,283*l.*

	Florins.	£
The gross receipt from all sources of the whole network of State lines during the year 1864-65 were	17,281,917	= 1,440,160
And the gross expenditure ..	11,369,439	947,453
Leaving nominally only a surplus of	5,912,478	492,707

But after deducting from the gross expenditure several considerable sums (the details of which are very complicated, and which it would require a lengthen statement to explain), not properly belonging to the traffic expenses, the actual expenditure of the year amounted to 8,509,124 florins (709,094*l*) ; so that the real surplus of receipts over expenditure on the traffic of the year was 8,772,793 florins (731,066*l.*),* being equal to about 732*l.* 12*s.* per

	Florins.	£
* Receipts	17,281,917	= 1,440,160
Expenditure	8,509,124	709,094
Surplus	8,772,793	731,066

English mile of railway, and to a trifle more than 5½ per cent. on the amount of capital, namely, 13,211,311*l.* sterling, represented by the entire net work of State lines.

Eastern Railroad.—At the close of the year 1864-65, the Eastern Railway consisted of the main or trunk line running from Munich, by Ratisbon, to Nuremberg, and of the following branches, namely:

1. From Geiselhöring (between Munich and Ratisbon) to Passau, on the Austrian frontier, where it joins the Austrian line to Vienna.

2. From Schwandorff (to the north of Ratisbon) to Furth, on the frontier of Bohemia, whence there is a direct communication by a Bohemian railway to Pilsen and Prague.

3. From Schandorff, by Weiden to Bayrenth, at the north-eastern extremity of Bavaria.

4. From Weiden to Eyer, in Bohemia, whence a Bohemian line runs to Hof, and connects in that direction the railways of Bavaria with those of Saxony.

The entire length of this series of lines forming the Eastern Railway is 164¼ Bavarian leagues, or about 403 English miles; the trunk line from Munich to Nuremberg having an extent of 76¾ leagues, and the several branches a length of 84½ leagues. But it is to be observed that the last section of the Weiden and Eyer branch, of 5¼ leagues (13 English miles) in length, was not thrown open to traffic until a few days after the expiration of the year 1864-65, namely, on the 15th of October, 1865; and that therefore the actual length of the Eastern Railway, to which the Traffic Returns for that year apply, was only 156 Bavarian leagues, or 390 English miles.

The sum total expended by the Company up to the end of the year 1864-65 for the construction of the entire 161¼ leagues of railway, with the necessary stations and open buildings, the purchase of rolling stock, and other requirements for placing the line in complete working order was 55,000,000 florins, or about 4,583,330*l.*; being as nearly as possible at the rate of 11,373*l.* per mile of railway.

This Company had in use during the year 1864-65, the following rolling-stock:—

Engines with their tenders	92
Passenger carriages	307
Post Office carriages	24
Luggage vans, goods carriages, cattle trucks, &c. ..	1,707

The passenger carriages, 200 of which are of the third class contained, altogether, seats for 11,264 persons, namely :—

First class	564
Second class	2,400
Third class	8,300

The luggage-vans are constructed to carry each a weight of 100 Bavarian cwts. (about 5½ English tons); the goods carriages double that weight; and the aggregate weight which the entire stock of luggage and goods carriages are capable of carrying, is 331,000 Bavarian cwts. (about 18,200 tons.)

The ninety-two engines ran, during the year, over a total distance of 720,728 Bavarian leagues (1,801,820 English miles), making an average of 19,585 miles for each locomotive.

The expenditure for firing for the engines was—

	Florins.	£
For coals	204,620	= 17,060
For wood	3,830	319
Total	208,450	17,379

Being equal to 17·35 kreutzers for every Bavarian league, or 2·31*d.* for every English mile performed by the locomotives.

The outlay for grease and oil for greasing the engines was 13,995 florins (equal to 1,166*l.*). The cost of keeping them in repair throughout the year was 124,998 florins (equal to 10,416*l.*), being at the rate of about 113*l.* 4*s.* for each of the 92 engines. Thus, the whole expenditure for fuel and for grease for the engines and for keeping them in repair, was 347,443 florins (equal to 28,953*l.*), being at the rate of 3·86*d.* per mile run over.

The carriages of all descriptions travelled over an entire distance of 673,006 Bavarian leagues (equal to 1,682,515 English miles).

	Florins.	£
The cost of keeping them in repair was	91,813	= 7,651
That of the materials for greasing them	16,447	1,650
Total for repairing and greasing	108,260	9,301

Being equal on the distance run over by the carriages during the year, to, as nearly as possible 1·33*d.* per English mile.

The number of passengers carried during the year, and the sums received for their conveyance, were as follows:—

	Number.	Receipts.	Sterling.
		Florins.	£
First class passengers	8,297	38,908	3,242
Second class ditto	229,263	438,138	36,511
Third class ditto	1,799,956	1,081,953	90,163
Military	39,522	25,233	2,103
Total	2,077,038	1,584,232	132,019

The three different classes of passengers having contributed in the following proportions to the total receipts:—

	Per cent.
First class	$2\frac{5}{10}$
Second class	$27\frac{6}{10}$
Third class	$68\frac{3}{10}$
Military	$1\frac{6}{10}$
	100

The average number of passengers conveyed per day was—

First class	23
Second class	628
Third class	4,931
Military	108
Total	5,690

The average amount received as fare from each passenger was—

	Fl.	kr.		s.	d.
First class	4	40	=	7	$9\frac{1}{3}$
Second class	1	52		3	$1\frac{1}{3}$
Third class	0	36		1	0
Military	0	40		1	$1\frac{1}{3}$
Average of all classes ..	0	45		1	3

Whilst the average distance travelled by each different class of passenger was—

	Bavarian leagues.	English miles.
First class	$28\frac{50}{100}$	$71\frac{25}{100}$
Second class	$17\frac{64}{100}$	$44\frac{10}{100}$
Third class	$9\frac{16}{100}$	$22\frac{90}{100}$
Military	$19\frac{14}{100}$	$47\frac{85}{100}$
Average of all passengers ..	$10\frac{24}{100}$	$25\frac{60}{100}$

The quantity of passengers' luggage carried during the year was 90,924 Bavarian cwts. (equal to 5,013 tons), and the sum received for its conveyance was 65,184 florins (equal to 5,432*l.*), being at the rate, on an average, of 43 kreutzers per Bavarian cwt., or 21*s.* 8*d.* per English ton.

The number of private carriages conveyed on freight was 288, and they paid on an average $14\frac{1}{3}$ florins (equal to 23*s.* 11*d.*) each; the total amount received having been 4,130 florins (equal to 344*l.*).

The number of horses, cattle, &c., carried as follows:

	Head.
Horses	1.720
Horned cattle	25.019
Sheep and pigs	159,010
Dogs	18,999
Total	204,748

And the sum total received for conveying them was 109,099 florins (equal to 9,091*l.*); equal to an average of 32 kreutzers or $10\frac{4}{5}$*d.* per head.

The goods conveyed during the year weighed 13,650,105 Bavarian cwts. (equal to 752,584 tons), consisting chiefly of grain, wood, and coals; and the freight paid upon them was 2,614,097 florins (equal to 217,841*l.*) being at the rate, on an average, of 5*s.* $9\frac{1}{2}$*d.* per ton.

The gross traffic receipts for the year 1864-65 on lines of the Eastern Railway Company were 5,694,754 florins (equal to 474,562*l.*); for the previous year they were 4,532,953 florins (equal to 377,746*l.*); the increase for the year 1864-65 being at the rate of nearly 25 per cent.; and as the mileage open to traffic was the same in both years, this increase in the receipts is due exclusively to the natural augmentation in the traffic on the lines.

The subjoined comparative Table shows the proportion in which the different sources of revenue contributed to the general traffic receipts during the years 1863-64 and 1864-65:—

	1863–64.	1864–65.
	Florins.	Florins.
Passengers	1,473,581	1,584,232
Passengers' luggage	59,692	65,184
Carriages	5,627	4 130
Cattle	113,785	109,099
Goods	2,101,342	2,608,417
Military	11,724	15,073
Postal service	20,073	20,225
Through goods traffic	492,082	1,012,336
Miscellaneous	255,042	276,058
Total	4,532,953	5,694,754
	£377,746	£474 562

The total being equal, on a mileage of 156 Bavarian leagues or 390 English miles, to 29,057 florins per league (equal to 968*l.* 10*s.* per English mile) for 1863-64, and 36,505 florins per league (equal to 1,216*l.* 17*s.* per English mile) for 1864-65.

The largest proportionate increase in 1864-65 was that on the item of through goods traffic, which arose chiefly from the greatly increased importation of coal from Bohemia into Bavaria on the Pilsen branch of the Eastern Railway.

The gross receipts were derived in the following proportions from the three main sources of revenue:—

	Per cent.
Passenger traffic	$31\frac{6}{10}$
Goods ditto	$63\frac{3}{10}$
Miscellaneous ditto	$5\frac{1}{10}$
	100

The total amount of the working expenses of the lines during the year 1864-65 was 2,312,058 florins (equal to 192,671*l.*), being at the rate of 494*l.* per English mile.

In the previous year the working expenses amounted to 1,812,486 florins (equal to 151,040*l.*), equal to 387*l.* 6*s.* per mile.

This expenditure may be divided for the two years in question as follows:—

	1863–64.	1864–65.
	Florins.	Florins.
General administration	113,873	85,444
Maintenance of the line	736,402	557,744
Traffic expenditure	1,461,783	1,169,268
	2,312 058	1,812,486

	Florins.	£
The gross receipts for the year 1864–65 having been as above stated ..	5,694,754	= 474,562
And the expenditure	2,312,058	192,671
There remained a profit on the working of the lines of	3,382,696	281,891

Being equal to a return of 6·15 per cent. on the amount of capital, namely, 55,000,000 florins (equal to 4,583,330*l.* sterling), invested in the construction of these lines up to the close of the financial year 1864-65.

Railways of the Bavarian Palatinate.—There are two lines of railway in the Palatinate, each of which was constructed by and is the property of a separate Company. These lines are: first, the Louis Railroad, running from east to west, completely across the Palatinate, from the frontier of Rhenish Prussia, near Saarbruck (where it joins the Prussian lines), to the Rhine at Ludwigshafen, and thence to Worms; and secondly, the Maximilian Railway, which runs in a southerly direction from Neustadt (a town on the Louis Railroad to Weipenberg, on the French frontier, with a branch to Maximilians Au on the Rhine. The aggregate length of the two railways, with their branches, was, at the end of the year 1864-65, 59$\frac{4}{5}$ Bavarian leagues, or 149$\frac{1}{2}$ miles English.

There is further, in course of construction, a line running northwards from Neustadt, which when completed will extend in that direction as far as the frontier of the Palatinate. The first section, from Neustadt to Dürkheim, was finished within the year 1864-65, but it was only opened towards the close of that year, so that it cannot be taken into account in speaking of the traffic of each of the railways of Bavaria for the whole of the year 1864-65.

Louis Railway.—At the close of the year above mentioned (September 30, 1865) the entire length of the Louis Railroad was 42$\frac{4}{5}$ Bavarian leagues, or 107 English miles, and it consisted of the following sections:—

	Bavarian leagues.
The main line from the frontier of Rhenish Prussia near Saarbrück, to Ludwigshafen on the Rhine (where it is brought by means of a steam ferry into communication with Mannheim on the opposite side of the river), and thence to the frontier of Hesse Darmstadt near Worms	$33\frac{72}{100}$
Branch from Schefferstadt to Spire	$2\frac{46}{100}$
Ditto from Spire to Germersheim	$3\frac{66}{100}$
Ditto from Homburg to Zweibrücken	$29\frac{6}{100}$
Total	$42\frac{80}{100}$

Equal to 107 English miles.

A short branch line from Homburg to the coal mines of St. Ingbert (in the south-western corner of the Palatinate) which was in course of construction in the year 1864-65, has since been finished; and a permanent railway bridge, to take the place of the steam ferry, is now being built (and is near completion) across the Rhine from Ludwigshafen to Mannheim.

The Louis Railway was constructed by a Joint Stock Company, the amount of whose capital, raised partly by shares and partly by debentures, was at the end of the year 1864-65, 20,499,000 florins (equal to 1,708,250*l.* sterling). The sum expended in the construction of the railway, in the building of stations, and in the purchase of rolling-stock, &c., was 19,480,194 florins (equal to 1,623,350*l.* sterling).

The following are some details connected with the traffic of the line during the year above-mentioned :—

The rolling-stock consisted of :—

Locomotive engines	47
Tenders	46
Passenger carriages	125

Containing places as follows :—

First class	216
Second class	1,090
Third class	2,980
	4,286
Post Office carriages	8
Luggage vans and carriage trucks . ..	45
Goods waggons	766
Coal ditto	800
Cattle ditto	44

the whole being capable of carrying a weight of 211,700 Bavarian cwts., equal to 11,672 English tons.

The distance run by the locomotives during the year was 427,428 Bavarian leagues (equal to 1,068,570 English miles); namely, 191,870 Bavarian leagues (equal to 479,675 English miles) with passenger trains, and 235,558 leagues (equal to 588,895 English miles) with goods and coal trains.

The quantity of coals consumed by them in performing this distance was 268,527 Bavarian cwts. (equal to 5,448 English tons); whereof 98,806 Bavarian cwts. for drawing passenger trains, and 169,721 Bavarian cwt. for goods and coal trains, and about 66,000 lbs. English of oil and other materials were made use of for greasing the engines.

The cost of coals for the engines was as nearly as possible at the rate of $1\frac{1}{4}d.$ per English mile for those drawing passenger trains, and $1\frac{3}{4}d.$ per mile for those used for goods and coal trains.

	Florins.	£
The outlay for repairs and for other requirements was	53,277	= 4,440
For the passenger carriages	18,314	1,526
For the goods and coal waggons . ..	76,984	6,415

The number of passengers conveyed on the different lines during the year was as follows :—

With single tickets—	
First class passengers	5,402
Second class ditto	145,351
Third class ditto	548,316
	735,069
With return tickets—	
First class passengers	2,578
Second class ditto	164,818
Third class ditto	423,252
Passengers of all classes ..	1,325,717
Military	37,551
Total	1,363,268

and the sum total received for their conveyance was 541,426 florins (equal to 45,119*l.*), being equal to a return of 421*l.* 13*s.* 6*d.* for each mile of railway.

In the previous year, 1863-64, with the same extent of railway open to traffic, the number of passengers was 1,174,869, and the receipts from them 505,049 florins (equal to 42,087*l.*).

The quantity of passenger luggage carried was 50,215 Bavarian cwts. (equal to 2,768 tons), and it produced the sum of 22,391 florins (equal to 1,866*l.*), equal to 17*l.* 9*s.* per mile of railway. In the year preceding the quantity was 459,155 Bavarian cwts., and the receipts 19,945 florins (equal to 1,662*l.*).

The total quantity of goods, exclusive of coal transported, was 11,072,207 Bavarian cwts. (equal to 610,454 tons), and the freight received for them 785,715 florins (equal to 65,476*l.*), equal to 611*l.* 19*s.* per mile of railway, In the previous year the quantity of goods was 9,174,187 Bavarian cwt., and the freight 702,448 florins (equal to 58,537*l.*).

	Bavarian cwts.
The quantity of coal, the produce chiefly of the mines of St. Ingbert in the Palatinate, and those of Saarbrück in Rhenish Prussia, carried during the year, reached the large amount of	13,590,830
And that of coke	683,264
Together	14,274,094

Equal to 783,801 English tons.

and it yielded a return of 1,036,802 florins (equal to 86,400*l.*) for freight, equivalent to 807*l*, 10*s.* per mile of railway. In the year 1863-64, the quantity was 12,683,296 Bavarian cwts., and the freight 1,007,825 florins (equal to 83,895*l.*)

The horse and cattle traffic was as follows:—

	Head.
Horses	3,586
Horned cattle	10,672
Calves and pigs	76,206
Dogs	5,556
Total	96,020

producing a sum of 20,449 florins (equal to 1,704*l.*), or 15*l.* 18*s*, 6*d.* per mile of railway. In the year previous the number of head was 108,079, and the sum received 26,218 florins (equal to 2,185*l.*).

Of carriages 68 were conveyed, which produced for freight 553 florins (equal to 46*l.* 1*s.* 8*d.*).

The traffic receipts from all sources were as follows:—

	Florins.
Passengers	541,426
Passenger luggage	22,391
Carriages	553
Cattle	20,449
Coals	1,036,802
Goods	785,715
Postal service	6,549
Total	2,143,885

Equal to 201,157*l.*

being equal on a mileage of 107 to 1,880*l.* per mile.

	Florins.	£
To the above-mentioned traffic receipts of	2,413,885	
Is to be added a sum derived from the sale of materials, the rent of plots of land, and interest on the reserve fund, which at the end of the year 1864–65 amounted to 923,714 florins, equal to 76,976*l.*	293,720	
Making the gross receipt ..	2,707,605	= 225,634

Equal to 2,108*l.* 9*s.* per mile.

In the preceding year the gross receipts on the same mileage amounted to 2,428,061 florins (equal to 202,339*l.*)

The following are the proportions in which during the year 1864-65 the gross receipts were derived from the different sources of revenue :—

	Per cent.
Passengers, passengers' luggage, cattle, &c. ..	$21\frac{84}{100}$
Goods	$29\frac{2}{100}$
Coals	$38\frac{29}{100}$
Miscellaneous	$10\frac{85}{100}$
	100

The total expenditure of the year amounted to 1,041,884 florins (equal to 86,824*l.*), which may be distributed under three heads as follows :—

	Florins.
General management	56,254
Maintenance of line	318,145
Traffic	667,485
	1,041,884

In the previous year the total expenditure was 971,206 florins (equal to 80,934*l.*).

The general result of the working of the Louis Railway for the year 1864-65 was therefore :—

	Florins.	£
Receipts	2,707,605	= 225,634
Expenditure	1,041,884	86,824
Net profit ..	1,665,721	138,810

The net profit being equal to a return of somewhat more than 8 per cent. on the amount of share and debenture capital of the Company at the end of the year, namely, 1,708,250*l.*

This, it may be observed, is a larger profit than that realized on any other railway undertaking in Bavaria.

Maximilian Railway of the Palatinate.—The entire extent of the Maximilian Railroad was at the end of the year 1864-65 17 Bavarian leagues, or 42½ English miles.

	Bavarian leagues.
It consisted of the main line running from Neustadt (a town on the Louis Railway) by Landau and Winden to Weissenberg on the French frontier	$12\frac{64}{100}$
Branch from Winden to Maximilian's-Au on the Rhine, whence it communicates by means of a railway bridge across the river with the Baden railways . ..	$4\frac{36}{100}$
Total	17

Equal to 42½ English miles.

This railway has hitherto proved one of the least remunerative undertakings of the kind in the Bavarian dominions, the yearly return having as yet fallen short of 4 per cent. on the capital invested. The traffic, however, increased somewhat in the year 1864-65, compared with that of the previous year, as will be seen in the course of the following details.

The capital raised by the Company for the construction of the line was 5,812,500 florins (equal to 484,375*l.*), and the sum actually expended up to the end of the year 1864-65, was 5,455,036 florins (equal to 454,586*l.*)

The traffic for that year was as follows :—

The rolling-stock in use on the line consisted of ;—

Engines	15
Tenders	15
Passenger carriages	34
Containing—	
First class places	108
Second class ditto	240
Third class ditto	700
Total places	1,048
Post Office carriages	2
Luggage vans	11
Goods and cattle waggons	285
Coal trucks	156

the carriages of all descriptions being capable of carrying a weight of 55,100 Bavarian cwts. (equal to 3,038 tons English).

The mileage performed by the engines during the year was 123,823 Bavarian leagues (equal to 309,607 English miles).

The quantity of fuel consumed by the engines was, coals, 76,537 Bavarian cwts. (equal to 4,203 tons); wood, 245½ cubic mètres; the cost of which was 27,380 florins (equal to 2,282*l.*).

The number of passengers conveyed was as follows: —

By express train, with single tickets—		
First class passengers . ..	2,375	
Second class ditto	33,672	
		36,047
By ordinary trains, with single tickets—		
First class passengers . ..	461	
Second class ditto	31,119	
Third class ditto	241,906	
		273,486
With return tickets—		
First class passengers . ..	670	
Second class ditto	43,366	
Third class ditto	99,962	
		143,998
Military		15,973
Total passengers		469,504

The sum received for their conveyance was :—

	Florins.
From passengers by express train ..	33,351
Ditto by ordinary ditto	79,009
Ditto with return tickets	45,325
Military	3,398
Total	161,083

Equal to 13,424*l.*

In the previous year the number of passengers conveyed was 391,000, and the sum received 11,443*l.*

The quantity of passenger luggage and parcels carried was 18,022 Bavarian cwts. (equal to 994 tons), which produced 6,576 florins (equal to 548*l.*).

Twenty-five carriages were conveyed, which paid 13*l.*

Of cattle of different kinds 21,517 head were carried, the receipts from which were 3,903 florins (equal to 325*l.*)

The goods and coals conveyed, and the sum received for carriage were :—

	Weight.	Carriage paid.
Goods	2,511,687 Bavarian cwt. (138,479 tons)	155,290 florins (12,940*l.*)
Coals	5,154,790 Bavarian cwt. (284,204 tons)	176,678 florins (14,723*l.*)

	Florins.	£
The receipts from all sources for the year were .. .. (Equal to 972*l.* 9*s.* per English mile of railway open.)	554,290	= 46,191
The expenditure was .. .. (Equal to 575*l.* 6*s.* per mile.)	327,973	27,33
The profit on the year's traffic was ..	226,317	18,860
Equal to 397*l.* per mile.		

On the amount of capital invested in this railway, viz., 484,375*l.*, the profit of the year was equivalent to a return of $3\frac{7}{8}$ per cent.

In the previous year, on the same mileage,

	Florins.	£
The receipts were	498,137	= 41,511
The expenditure	283,618	23,635
Profit	214,519	17,876

General Summary.—The general result of the foregoing details respecting the entire network of railways in the Bavarian dominions, and the railway traffic during the year 1864-65, may be summed up as follows :—

Length of the Lines—		English miles.
998 miles.	State railways (after deduction of of 26 miles let on lease) ..	853
	Ditto taken on lease	145
Eastern Railway		390
Palatinate railways		149½
Total		1,537½

Capital invested—	£
State railways (998 miles)	13,211,311
Eastern Railway	4,583,330
Palatinate railways	2,192,375
Total	19,987,016

Traffic on all the lines—		
Passengers	Persons	9,662,935
Passengers' luggage	Tons	23,189
Carriages		1,129
Cattle	Head	715,398
Goods and coals	Tons	4,527,465

Gross traffic receipts—	£
State railways	1,440,160
Eastern Railway	474,562
Palatinate railways	271,825
Total	2,186,547

Traffic expenditure—	£
State railways	709,094
Eastern Railway	192,671
Palatinate railways	114,155
Total	1,015,920

Excess of receipts over expenditure—	£
State railways	731,066
Eastern Railway	281.891
Palatinate railways	157,670
Total	1,170,627

The profit on the aggregate traffic of the year was consequently equal to an average return of 761*l.* per English mile of railway, and to an interest of 5⅞ per cent. on the total amount of capital invested in the construction and establishment of the various lines of railway.

Post Office.

The following Table shows the number of letters forwarded by the Bavarian Post Office during the years 1863-64 and 1864-65.

	1863-64.	1864-65.
Letters with stamps of 1 kreutzer ..	3,409,091	3,674,408
Ditto 3 kreutzers ..	10,156,617	10,298,718
Ditto 6 „ ..	3,798,208	3,849,777
Ditto 9 „ ..	1,364,592	1,388,440
Ditto 12 „ ..	200,622	308,673
Ditto 18 „ ..	130,191	131,119
Total of stamped letters	19,059,321	19,551,135
Unpaid ditto	4,044,087	3,916,549
Paid letters from abroad	6,551,583	7,299.017
Postal service letters	5,204,870	5,607,537
Total	34,859,861	36,374,238

being an increase of 1,514,377 letters in 1864-65 as compared with the previous year. The number of letters forwarded in 1864-65 was equal to an average of $7\frac{56}{100}$ letters for each inhabitant of Bavaria.

The newspapers sent through the post were in 1863-64, 44,132,067; in 1864-65, 46,968,176; the increase in the latter year being 2,836,109.

The number of travellers by the different descriptions of public post-carriages, omnibuses, &c., was in 1863-64, 18,937; in 1864-65, 22,704; the increase in the latter year being 3,767.

The number of packages forwarded through the post were in 1863-64, 6,865,525; in 1864-65, 7,233,585.

In each of the eight Provinces of Bavaria the number of letters and newspapers posted during the year 1864-65, was as follows:—

	Letters.	Newspapers.
Upper Bavaria	8,068.180	14,310,785
Lower Bavaria	2,349,142	3,465,506
Palatinate	5,849,086	3,342,122
Upper Pfalz	2,409,303	3,441,644
Upper Franconia	3,158,595	3,036,413
Central Franconia	4,594,711	5,454,808
Lower Franconia	4,681,804	5,596,776
Swabia	5,263,417	8,320,122
Total	36,374,238	46,968,176

The receipts on the traffic of the kingdom were as follows:—

	Florins.	£
Letters	1,631,387	= 135,949
Passengers	31,733	2,644
Parcels	1,146,996	95,583
Newspapers	166,455	13,871
Total	2,976,171	248,048

	Florins.	£
The receipts of the Post Office establishment from all sources during the year 1864-65 were	3,204,843	= 267,070
The total expenditure was . ..	2,457,349	204,779
Leaving a net surplus of ..	747,494	62,291
In the previous year the total receipts were	3,184,167	265,347
The expenditure	2,459,585	204,965
Net surplus	724,582	60,382

Electric Telegraph.

As in most, if not all, of the States of continental Europe, the telegraph establishment is in Bavaria a Government institution, and is under the exclusive management and control of the Government.

During the year ending September 30, 1865, the latest period to which Returns have been made up, the number of telegraph offices in Bavaria was increased by three, and the total number existing at the end of that year was eighty. This would give on an average one office for every 66,809 inhabitants of the kingdom.

The entire length of the network of telegraph lines at the abovementioned date was 423 Bavarian miles (equal to 2,115 English miles); and the total length of all the wires in use, 989 Bavarian miles (equal to 4,945 English miles).

The cost of constructing the whole network was 843,207 florins (equal to 70,267*l.* sterling), being at the rate on an average of about 33*l.* 4*s.* 6*d.* per English mile of telegraphic line.

The following is a statement of the number of telegrams transmitted by the Bavarian lines during the year beforementioned:—

Internal service—			
Government telegrams ..	9,360	consisting of	318,240 words.
Railway service ditto ..	10,875	„	233,812 „
Private ditto	183,588	„	3,671,760 „
International service—			
Government and private telegrams	255,484	„	5,109,680 „
Total telegrams ..	459,307	„	9,333,492

In the previous year (ended September 30, 1864), the number of despatches transmitted was 369,934, consisting of 7,580,163 words; the increase in 1864-65 being telegrams 89,373; words 1,753,329.

The average number of words contained in each telegram forwarded during the year 1864-65 was 20; and the average charge for each was 48 kreutzers (equal to 1*s.* 4*d.* sterling).

The sum total received for telegrams forwarded during that year was 314,447 florins (equal to 26,204*l.*); and the gross receipt from all sources of the telegraph establishment was 322,886 florins (or 26,700*l.* sterling).

The expenditure of the establishment for the year was as follows:—

	Florins.	£
Salaries and wages	167,968	= 13,997
Heating and lighting offices, paper, printing, and other office expenses	22,579	1,881
Purchase of new, and maintenance of old, apparatus and instruments	15,345	1,279
Wire and other materials for the lines ..	46,326	3,861
Repair of buildings, &c.	6,411	534
Total	258,625	21,552

	Florins.	£
The receipts having been	322,886	= 26,907
And the expenditure	258,625	21,552
The net profit was	64,261	5,555

being equal to a return on the working of the lines during the year 1864-65 of $7\frac{5}{8}$ per cent. on the sum total of 843,207 florins (equal to 70,269*l.*) expended in the construction of the lines.

In the previous year the pecuniary result of the working of the lines was as follows:—

	Florins.	£
Receipts	295,250	= 24,604
Expenditure	247,697	20,641
Net profit	47,553	3,963

There was consequently an increase in the net profit on the working of the telegraph lines in the year 1864-65, as compared with that of the year preceding of 16,708 florins (equal to 1,392*l.*), or of precisely 26 per cent.

Finance.

In the course of the last Session of the Bavarian Parliament the Minister of Finance presented a detailed statement which had been previously laid before the King, of the revenue and expenditure of Bavaria for the year ended September 30, 1864,* that being the third year of the eighth financial period (1861 to 1867) for each of the six years of which an uniform Budget was voted simultaneously by the Chambers, in accordance with the system hitherto prevalent in this country, in the early part of the year 1861. But it may be observed that by a law passed in the Session of 1865, this system has been so far modified that, after the expiration of the current Eighth Financial Period; that is to say from the 1st of October, 1867, the Budget to be submitted by the Government to the Chambers for approval, will be framed for a period of two years only instead of six years as hitherto.

The Budget voted for each of the six years of the eighth financial period, the details of which were stated in Mr. Bonar's financial Report of January 1862, estimated the revenue from all sources at 46,520,597 florins (3,876,716*l.* sterling), and fixed the ordinary expenditure at 46,720,597 florins (3,893,383*l.* sterling), leaving the difference between the two amounts to be defrayed out of the surplus funds remaining over from previous financial periods. But experience having subsequently shown that certain additional expenditure had become necessary, whilst in the meantime the revenue actually raised had exceeded the estimate by a considerable sum, several supplementary "credits" were successively voted to the Government, the result being that the total amount of expenditure sanctioned for the year 1863-64, out of the ordinary revenues and the surplus funds, was raised to 52,094,464 florins (4,341,205*l.* sterling). Besides this sum the Government had at its command, in accordance with the Bavarian financial system, the "State Reserve Fund," a resource specially destined to

* In Bavaria the financial year commences on the 1st of October and ends on the 30th of September of the following year.

meet such extraordinary expenditure as may be deemed necessary by the Government, and which fund is maintained by means of a fund regularly appropriated to it by the Budget for each year, and also by the surplus of receipts over expenditure remaining from the preceding year.

According to the accounts laid before the Chambers (as before stated), of the service for the financial year 1863-64, a statement of the details of which is annexed hereunto, the sum actually received from all sources of revenue during that year was 55,818,985 florins (4,651,582*l.* sterling), being 9,298,388 florins (774,866*l.*) or fully 20 per cent. in excess of the receipts anticipated in the original estimate of 1861, namely 46,520,597 florins.

On the other hand the expenditure for the year was as follows :—

	Florins.	£
Ordinary expenses, defrayed from regular revenue	52,094,464 =	4,341,205
Extraordinary expenses paid from reserve fund	2,253,474	187,789
Miscellaneous expenses paid from surplus funds	932,711	77,726
Total..	55,280,649	4,606,720

Whilst, therefore, the amount of the ordinary expenditure was precisely that fixed by the Budget (with the addition of the credits subsequently voted by the Chambers), namely 52,034,464 florins ; the total expenditure, including extraordinary and miscellaneous expenses, exceeded that amount by 3,186,185 florins (265,515*l.* sterling).

	Florins.	£
But the sum total actually received as revenue having amounted to ..	55,818,985 =	4,651,582
And the sum total expended having been	55,280,649	4,606,720
The result was an excess of income over expenditure of	538,336	44,862

On almost every one of the different items comprised in each of the seven heads of income under which, as will be seen by the annexed summary of the accounts, the revenues of the State are classed, the actual return was larger than that calculated in the Budget originally voted by the Chambers in 1861, whilst the aggregate amount received under each of those seven heads, exceeded in every case the amount estimated, the largest sums received

in excess of the estimates, having been those from indirect taxes, Crown lands, and State monopolies.

The following Table shows the proportion in which each of the seven general sources of revenue contributed to the sum of 9,298,388 florins, received, as already stated, in excess of the estimates of 1861 :—

	Estimate.	Sum received.	Excess.	Excess (in Sterling).
Direct taxes	Florins.	Florins.	Florins.	£
Ditto, additional ..	7,512,907	7,888,728	375,821	31,319
Indirect taxes	1,820,130	1,869,861	49,731	4,144
State monopolies ..	18,260,343	23,229,435	4,969,092	414,091
Crown lands	9,179.642	10,368,545	1,188,903	99,075
Special taxes	9,423,688	12,069,989	2,646,301	220,525
Miscellaneous	27,545	32,563	5,018	418
	296,342	359,864	63,522	5,294
	46,520,597	55,818,985	9,298,388	774,866
	£3,876,716	£4,651,582	£774,866	

The particulars of the excess of expenditure in the year 1863-64, as compared with the amount fixed by the Budget for the eighth financial period, and the subsequent supplementary votes, and which excess was incurred on account of extraordinary and miscellaneous requirements, and was provided for out of the State reserve and surplus funds, will be found under the proper head in the subjoined summary of the general account of the receipts and expenditure for that year.

Revenue for the Financial Year ended September 30, 1864.

			Sterling.
	Florins kr.	Florins kr.	£
Direct Taxes—			
Land tax	4,868,806 16		
House tax	816,876 24		
Trades tax	1,323,952 47		
Property tax	592,531 30		
Income tax	286,560 45		
		7,888,727 42	657,394
Ditto, additionally imposed—			
Land tax	1,622,847 12		
House tax	122,531 54		
Trades tax	66,199 32		
Property tax	29,626 33		
Income tax	28,656 8		
		1,869,861 19	155,822
Indirect Taxes—			
Excise	8,860,953 37		
Customs	6,548,497 43		
Stamps..	1,729,822 27		
Miscellaneous	6,090,161 30		
		23,229,435 17	1,935,786
State Monopolies and Establishments—			
Salt works	3,509,855 24		
Mines	208,373 13		
Railways	5,639,188 19		
Post Office	713,336 7		
Official Gazette	6,372 15		
Telegraph	46,236 22		
Bank of Nuremberg	256,045 44		
Sundry monopolies	7,134 35		
	10,386,541 59		
Deduct loss on the Danube and Main Canal	17,997 26		
		10,368,544 53	864,045
Crown lands—			
Forests, chases, &c.	7,643,166 56		
Farms, &c.	273,945 43		
Feudal and other fees	4,161,951 59		
	12,079,064 38		
Deduct payments for interest ..	9,075 8		
		12,069,989 30	1,005,832
Special taxes	..	32,562 54	2,714
Miscellaneous Contributions—			
Indemnity paid by Austria.. ..	102,083 20		
Contribution from Eastern Railway Company	87,000 0		
Additional taxes in the Palatinate ..	100,000 0		
Contribution from Widows and Orphans Fund..	83,412 8		
Sale of stores, &c.	1,449 20		
	373,944 48		
Deduct deficit on "Incidental Receipts and Expenditure"	14,080 38		
		359,864 10	29,989
Total Revenue	..	55,818,985 25	4,651,582

Expenditure for the Year ended September 30, 1864.

	Florins kr.	Florins kr.	Sterling. £
Interest on the public debt	..	16,762,960 11	1,396,913
Royal Household and Court—			
Civil list	2,350,580 0		
Appanages for Royal Family	620,000 0		
Pensions	16,958 44		
		2,987,538 44	249,861
Council of State	..	75,485 51	6,291
Diet (Houses of Parliament)	..	6,980 25	582
Ministerial Departments—			
Foreign Affairs and Household	453,498 37		
Justice	3,676,484 1		
Interior	1,868,982 35		
Commerce and Public Works	234,402 47		
Finance	852,102 29		
		7,085,470 29	590,456
Government Establishments—			
Educational institutions	1,125,802 18		
Public worship, Catholic	1,358,771 8		
,, Protestant	555,346 7		
Public health	298,574 57		
Charitable institutions	219,317 43		
Public security	1,383,721 29		
Industry and agriculture	358,382 24		
Roads, bridges, &c.	2,903,364 36		
Communal subventions	99,775 3		
Cadastral survey	290,000 0		
Royal glass painting establishment	2,754 54		
		8,595,807 39	716,317
Contributions to provincial funds	..	564,128 47	47,011
Public buildings	..	788,626 5	65,719
Military Establishment—			
Army	9,497,750 0		
Gendarmerie	962,800 0		
Topographical Department	50,000 0		
Contribution to Widows, Orphans, and Invalids Fund	92,000 0		
Military pensions	700,000 0		
Miscellaneous expenses	95,000 0		
Military chaplains	17,250 0		
Extraordinary requirements	3,106,164 13		
		14,621,164 13	1,210,097
Pensions to widows and orphans of public Civil servants	..	706,301 48	58,868
Total Ordinary Expenditure	..	52,094,464 12	4,341,205
Extraordinary Expenditure defrayed out of State Reserve Fund—			
Royal Household	200,206 38		
Council of State	2,063 0		
Ministry for Foreign Affairs	1,510,542 30		
,, of Justice	11,584 55		
,, of the Interior	792 25		
Government establishments	27,605 38		
Provincial funds	28,441 40		
Military establishment	438,519 15		
Miscellaneous	20,300 0		
Interest guaranteed on Maximilian Railway	13,417 36		
		2,253,473 37	187,789
Miscellaneous Expenditure defrayed from surplus funds remaining from previous Financial Periods	..	932,711 16	77,726
Total Expenditure	..	55,280,649 5	4,606,720

	Florins.	£
Revenue..	55,818,985	= 4,651,582
Expenditure	55,280,649	4,606,720
Surplus..	538,336	44,862

Public Debt of Bavaria.—The sum total of the public debt of Bavaria amounted, at the date of the latest official Return, namely, April 20, 1866, to 334,405,150 florins (27,867,096*l.* sterling), or about six times the amount of the annual revenue of the State.

A comparative statement of the amount of each of the different descriptions of the debt at the three following dates—September 30, 1864, September 30, 1865, and April 20, 1866,—is annexed hereunto, from which it will be seen that, between the first and the last of those dates, a reduction of 3,428,317 florins (285,693*l.* sterling) was effected on the total amount of the public debt. It is, however, to be observed that a very considerable addition has been made to it since that statement was drawn up.

In the month of June last, when war between Prussia and the South German States appeared inevitable, the Bavarian Government asked, and obtained, permission from the Chambers to raise a loan of 31,512,000 florins (about 2,626,000*l.* sterling), chiefly for the purpose of placing the army upon a war footing, and for purchasing the materials of war necessary to enable it to take the field. And in the month of September, on the conclusion of the war, the Government again applied to the Chamber for authority—which was granted by an almost unanimous vote—to raise by loan a further sum of 30,000,000 florins (2,500,000*l.*), or such portion of that sum as might be necessary to complete the amount of 30,000,000 florins which Bavaria had undertaken, by the Treaty of Peace with Prussia, to pay as a war indemnity to that Power.

At the same time the Government obtained the authorization of the Chambers, to increase, in case of need, to 15,000,000 florins (1,250,000*l.* sterling) the amount of 10,000,000 florins, for which the issue of Treasury legal tender notes, in amounts of 2, 5, and 50 florins each, bearing no interest, had been previously sanctioned.

No particulars have yet transpired as to the extent to which the Bavarian Government availed itself of the authority to raise the first of the two loans above-mentioned, as the operation did not form the subject of a special contract or negotiation with a third party, but was carried

into effect by means of an increased issue, by the Government, of the already existing 4½ per Cent. State Bonds, and by the creation of New State Bonds, bearing 5 per cent. interest. These securities are supposed to have been issued for very nearly the whole amount sanctioned by the Chamber; and the prices at which the Finance Department was enabled to dispose of them were from 85 to 90 per cent. for the 4½ per Cent. Bonds, and 95 for those yielding 5 per cent.; these prices being from 10 to 15 per cent. below what may be considered as having been the average value of Bavarian Government securities for some years previously. But under the circumstances of the times, with a war in Germany imminent, if not already commenced, and a panic existing in all the financial communities of Europe, this depreciation is easily accounted for.

Since the conclusion of peace, however, a marked improvement has taken place in the value of Bavarian stocks, the 5 per Cent. and 4½ per Cent. Bonds being now worth about 100 and 95 respectively in the money-markets of Germany.

As regards the loan for 30,000,000 florins voted by the Chambers on the conclusion of peace, it was not raised for its full amount, but only to the extent of 28,000,000 florins (about 2,330,000*l*.). For this sum the Bavarian Government negotiated with the banking firm of Erlanger and Co., of Frankfort, in conjunction with some other native and foreign bankers, a Lottery Loan, bearing 4 per cent. per annum regular interest, with prizes or premiums equal in amount to an additional 1 per cent. per annum, payable on a certain number of bonds of the loan to be drawn by lot and paid off at par every year, that number being so apportioned as to ensure the complete redemption of the loan within forty years from the date of its issue.

The terms obtained by the Government from the contractors have been kept secret; but the loan is not supposed to have brought to the Bavarian Exchequer a sum representing more than about 92 per cent. of its nominal amount. To the public, however, the loan was offered by the contractors for subscription simultaneously at Munich, Frankfort, Berlin, and other towns in Germany, at the price of 95 per cent.; and the fact that applications for a sum exceeding the whole amount of the loan were made on the first day on which the subscription was opened showed that this fresh burthen on the resources of

Bavaria had not had the effect of shaking the confidence entertained by the German public in the stability of her financial condition.

The issue of the Treasury notes sanctioned by the Chamber was only commenced quite recently (about the middle of December), and I understand that as yet no very considerable number of them has been put into circulation. These notes, it should be stated, are payable in specie on demand, at the Office of the Government Debt at Munich, and its branches in the provincial towns, and also at the Royal Bank at Nuremberg.

In the absence of a precise return on the subject, it may be assumed that the financial operations of the second half of the year 1866 have added to the Public Debt of Bavaria a sum of about 58,000,000 florins (or 4,830,000*l.*), exclusive of the Treasury notes, involving an annual charge for interest of about 253,000*l.* sterling.

With respect to the mode of meeting this increased demand on the revenue, it was stated to the Chambers, when permission was asked to raise the loans above described, that as regarded the requirements for the still unexpired twelve months of the current eighth financial period, the Government did not propose making any special application, as they calculated upon being able to provide for the payments for interest and amortization during that period, out of the surplus receipts generally, and especially from the surplus funds arising from the malt and other Excise duties; that with regard to a provision for those payments subsequently to the expiration of the present financial period, that would form one of the items of the Budget for the new financial period commencing on the 1st of October, 1867.

The Budget for that period which, as already stated, must, in virtue of the Law of 1865, be restricted to two years, instead of extending, as hitherto, to six years, will, it is understood, be submitted to the Bavarian Parliament early in the session, which is convened for the 5th of January next.

Public Debt of Bavaria.

	Amount, September 30, 1864.		Amount, September 30, 1865.		Amount, April 30, 1866.		Reduction from September 1864, to April 30, 1866.		Increase from September 1864, to April 30, 1866.	
Funded State Debt—	Florins.	£	Florins.	£	Florins.	£	Florins.	£	Florins.	£
1. Old debt	79,328,643	6,610,720	74,559,297	6,213,275	73,124,498	6,093,708	6,204,145	517,012	..	..
2. New debt	11,747,299	978,942	10,708,902	892,409	10,571,402	880,950	1,175,897	97,992	..	..
3. Military loan ..	31,552,800	2,629,400	31,045,900	2,587,158	30,956,400	2,579,700	596,400	49,700	..	..
Total of Funded Debt..	122,628,742	10,219,062	116,314,099	9,692,842	114,652,300	9,554,358	7,976,442	664,704	..	..
Railway debt	115,712,700	9,642,725	119,886,400	9,990,533	121,739,300	10,144,942	..	..	6,026,600	502,217
Ground rent, redemption debt	99,492,025	8,291,002	98,517,075	8,209,756	98,013,550	8,167,796	1,478,475	123,206	..	..
Total	337,833,467	28,152,789	334,717,574	27,893,131	334,405,150	27,867,096	9,454,917	787,910	6,026,600	502,217

	£
Sum Total of debt, September 30, 1864	28,152,789
„ April 30, 1866	27,867,096
Reduction	285,693

Harvest of Wheat, &c., and Cultivation of Hops, and the Hop Harvest of Bavaria in the Year 1866.

From the Reports received from 229 District-Committees of the Agricultural Association of Bavaria, it would appear that in the year 1866 the harvest of wheat, rye, and barley was rather below an average, both in point of quantity and quality, and inferior, especially in respect of quality, to that of the preceding year. The crop of oats, on the other hand, was a good one as to quantity, and very good as to quality, and about equal in both respects to that of 1865. The crop of potatoes was a fairly good one, but inferior to that of the previous year. Hay was above an average, both in quantity and quality, and more plentiful than in 1865.

Of the extent of land devoted to the different description of crops, no return whatever is given in the Report of the Agricultural Association, neither any estimate of the aggregate produce of each crop.

In some districts, and especially in the Provinces of Upper Bavaria, Lower Bavaria, Central Franconia, and Lower Franconia, the potato disease appeared more generally, and proved more destructive, than in the previous year. In the Palatinate it likewise caused some ravages; and in several of the hilly districts of that Province the grape disease showed itself. In the Palatinate, as well as in the other wine-growing districts of Bavaria, the vintage was tolerably abundant; but the quantity of the wine is, as a general rule, considered to be below an average, the grapes having suffered from the long run of wet weather which occurred during the months of August and September last.

The annexed Table, emanating from an official source, shows the average price per Bavarian scheffel of wheat, rye, barley, and oats at the Munich Corn Market in each of the twelve months of the financial year ended 30th September, 1866. And as the market of Munich is one of the most important in Bavaria, and one which exercises considerable influence over all the others, the prices at Munich may be considered as representing with tolerable accuracy the general average value of grain in the whole country. It will be seen that in the price of wheat a gradual increase took place from almost the commencement of the year 1866, and that a very considerable rise occurred between

the months of May and August. This was occasioned by the increased demand caused by the war, both in Bavaria and some of the neighbouring States; and during the four or five months which followed the close of the war this demand increased to such an extent that towards the end of November the average price of wheat at the market of Munich was quoted as high as 26 florins per scheffel (about 56*s.* 7*d.* per quarter), a proportionate rise having also occurred in the price of rye and barley, but not in oats. Since then, however, a decline has taken place, and at the last market held in the present month the average price of wheat was $23\frac{3}{4}$ florins per scheffel. But this is still a very high price as compared with that quoted in the corresponding month of last year, and with what may be considered as the general value of wheat in Bavaria.

Average price of grain (in florins and per Bavarian scheffel*) at the Munich Corn Market in each of the months of the year ended 30th September, 1866:—

	Wheat.		Rye.		Barley.		Oats.	
1865.	Fls.	kr.	Fls.	kr.	Fls.	kr.	Fls.	kr.
October	15	30	10	53	10	31	6	16
November	15	16	11	2	10	18	5	53
December	14	54	10	24	10	13	5	32
1866.								
January	14	22	9	59	10	19	5	19
February	14	42	10	0	10	30	5	31
March	14	48	9	53	10	42	5	40
April	15	2	9	56	11	33	6	3
May	15	19	10	53	10	16	6	37
June	16	8	12	14	10	5	7	6
July	16	34	11	49	9	22	6	43
August	20	46	13	20	10	53	6	51
September	20	30	12	40	12	19	6	29

The quantity of each description of grain sold at the market of Munich during the above-mentioned year was as follows:—

* The Bavarian florin is about 1*s.* 8*d.* in English money; and the Bavarian scheffel is equal to 6 bushels and 1 gallon English measure. Thus the price of 15 florins 30 kreutzers per Bavarian scheffel, would correspond to about 33*s.* 9*d.* per Imperial quarter; 20 florins 30 kreutzers to about 44*s.* 8*d.* per quarter.

	Bavarian Scheffel.	Imperial Quarters.
Wheat	172,227	131,861
Rye	70,401	53,901
Barley	299,185	229,064
Oats	166,082	127,156
Total	707,895	541,982

Which realized in the aggregate a sum of 8,052,536 florins, equal to 671,045*l.* sterling.

Whilst speaking of matters connected with agriculture, I may state that up to the present time the cattle plague has not appeared in any part of the Bavarian dominions, although the disease manifested itself during the autumn, with more or less severity, in some districts of the neighbouring Austrian province of the Vorarlberg, and in more than one of the northern Cantons of Switzerland. Within the last few weeks it has also broken out in other provinces of Austria bordering on Bavaria, and a very stringent code of regulations with reference to the importation of cattle from those provinces has in consequence been published by the Bavarian Government.

Hops.—The most important of the hop-growing districts of Bavaria, both as regards the quantity and quality of its produce, is the province of Central Franconia, of which Nuremberg is the chief town, and which city may be considered as the centre of the Bavarian hop trade. The particular districts of that province, in which the finest hops are grown, and which rank amongst the best produced on the continent of Europe, are Spalt, Weingarten, Stein, and Moosbach, known under the general designation of the "Spalterland," and after these districts rank those of Heisbruck, Lauf, Altdorf, and Eischgrund, all in the same province.

Next in importance as a hop-producing district is Hallertau, a section of country of about twenty German square miles (about 100 English square miles) in extent, lying partly in the province of Upper Bavaria and partly in that of Lower Bavaria, and comprising the communal districts of Wollnzach, Au, Moosburg, Nändlstadt, and Geisenfeld.

Hops are also cultivated to a greater or lesser extent in all the other provinces of Bavaria Proper, viz., Upper and Lower Franconia, Upper Pfalz, and Swabia; and a small

quantity is likewise produced in Rhenish Bavaria, on the left bank of the Rhine.

The average extent of land appropriated to the cultivation of hops in the whole of the Bavarian dominions is about 52,000 Bavarian acres,* equal to about 43,000 English acres, and the average yearly produce is about 122,000 Bavarian cwts., or about 134,464 cwts. avoirdupois.

The average annual yield during the ten years preceding 1866 was 128,000 Bavarian cwts.; but it is calculated that if the whole of the land planted with hops were to yield throughout a full crop (an event, however, which scarcely ever occurs) the total yearly produce would amount to about 225,000 Bavarian cwts. It would therefore appear that the actual average crop is little more than two-thirds of what it would be if each district produced regularly what is considered to be a full crop.

As regards the hop harvest of the year 1866 no official return has as yet been made public, beyond a statement contained in the general Report of the Bavarian Agricultural Association, to the effect that the crop was below an average both as to quantity and quality, and inferior in both respects to that of the previous year; but from information which I have obtained from private sources it would appear that in point of quantity the harvest of 1866 has fallen very far short of the usual average; so far short, indeed, as to be considered almost a general failure, a parallel to which is only to be found by going back as far as the years 1851 and 1854; for, whilst the extent of ground under cultivation was about 57,000 Bavarian acres, or 10 per cent. more than the average, the entire crop gathered is reckoned at only about 70,000 Bavarian cwts., or 43 per cent. less than an ordinary average.

As regards the quality, however, the harvest of 1866 is considered to be, generally speaking, a very fair one.

The natural result of the shortness of the crop has been a considerable rise in the prices as compared with those of previous years.

The finer description of hops, viz., those from the Spalt district, which, as being especially suited to the English and other foreign markets, are much sought after for

* The Bavarian acre or "tagwert" contains 36,000 square feet English measure. The Bavarian cwt. or centner is equal to 123½ lbs. avoirdupois.

exportation, were held, at the date of my information—viz., at the beginning of November last—at prices varying from 130 to 200 florins per Bavarian cwt. (about 9*l.* 15*s.* to 15*l.* 6*s.* per English cwt.), according to their quality; and those from the second-rate districts of Central Franconia, from Hallerthau and from the other provinces, at 110 to 150 florins per Bavarian cwt. (about 8*l.* 6*s.* to 11*l.* 16*s.* per English cwt.).

The average value per Bavarian cwt. of the whole crop of 1866, taking one quality with the other, the inferior descriptions being by far the most abundant, may be estimated at about 115 florins.

It would appear that, up to the above-mentioned period, but a small proportion of the crop had been disposed of, buyers having been unwilling to pay the high prices demanded by the growers. But the latter showed no inclination to make any abatement; on the contrary, as the yield of hops, not only in Germany generally, but also in the other hop-growing countries of Europe, was believed to have been far below an average, and as it was also known that the greater portion of the crop in Wurtemberg, Baden, and Bohemia had already been bought up, the Bavarian growers were of opinion that prices would at any rate be maintained, and might, not improbably, rise still higher in the course of the coming winter and spring.

I annex two Tables showing, firstly, the extent of the hop grounds under cultivation and the quantity of hops produced in each of the eight provinces of Bavaria in the years 1863 and 1866; and secondly, the quantity and market value of the yield of hops in the Province of Central Franconia in each of the ten years from 1857 to 1866 inclusive.

(Signed) H. P. FENTON.

Extent of Ground Planted, and Quantity of Hops produced in Bavaria in the years 1863 and 1866.

Provinces.	1863.		1866.	
	Ground Planted.	Crop.	Ground Planted.	Crop.
	Bav. Acres.	Bav. Cwts.	Bav. Acres.	Bav. Cwts.
Upper Bavaria	3,704	8,289	3,854	6,400
Lower Bavaria	7,748	18,769	8,524	12,450
Upper Pfalz	4,682	10,056	5,527	6,600
Upper Franconia.. ..	7,690	18,425	7,964	9,000
Central Franconia ..	25,671	60,571	27,483	30,200
Lower Franconia.. ..	1,190	2,915	2,307	2,950
Swabia	983	2,531	1,175	1,950
Rhenish Palatinate ..	144	649	278	450
Total	51,812	122,196	57,112	70,000
	Eng. Acres.	Eng. Cwts.	Eng. Acres.	Eng. Cwts.
	42,820	134,743	47,200	77,187½

Quantity and Value of Hops produced in the Province of Central Franconia in each year, from 1857 to 1866.

	Quantity.	Value.
	Bavarian Cwts.	Florins.
1857	38,566	3,085,280
1858	42,892	4,971,115
1859	40,209	3,505,073
1860	31,475	7,809,983
1861	97,122	6,167,228
1862	81,227	8,200,000
1863	60,579	5,975,000
1864	98,600	8,600,000
1865	78,600	7,065,000
1866	30,200	3,350,000
Total ..	599,470	58,728,679
Average of 10 years ..	59,947	5,872,867
	English Cwts.	£ Sterling.
	65,834	489,405

Turkey.

Report by Mr. Barron, Her Majesty's Secretary of Embassy, on Turkish Finance.

Mr. Barron to Lord Lyons.

My Lord, *Constantinople, February* 11, 1867.

1. In obedience to Lord Stanley's instructions conveyed in his despatch of 28th September, 1866, I have the honour to submit a report on the subject of Turkish finance. The *branches of investigation assigned to me* are:. 1. A review of the present financial position of the Turkish exchequer. 2. The system of taxation now in force. 3. Remarks on the recent financial measures of the Porte, and the results likely to arise from their adoption. 4. An account of the several loans raised by the Porte, by whom the contract for each loan was taken, and on what terms; the object for which each loan was raised; the original amount, the sum already paid off, and the funds chargeable for payments on account of the same.

2. Your Excellency, immediately after my arrival here on the 11th of November, supplied me with every possible assistance and materials. Through your introduction, I have seen the Grand Vizier and the Minister of Finance, and have received every promise of information from the latter functionary. I handed to his Excellency on the 6th of December eleven elementary questions, and have lost some time in waiting for the answers, which have not yet arrived. Under any circumstances, it would have been difficult to produce a report trustworthy or original on a subject so vast and unfamiliar within the strict limit of time prescribed. The three months of my residence have been fully occupied in this present work, incomplete as it is. Her Majesty's Commissioners specially deputed here in 1861 passed seven months here for a similar purpose. They describe their difficulties in words which I ask permission to quote, as being quite applicable to my own case:

"3. *The difficulty of obtaining complete and accurate*

knowledge from official documents, or full information, whether written or oral, from persons officially conversant with the subject under consideration, the absence of any sufficiently systematic arrangement or classification of the materials possessed by the Government for forming a judgment respecting its financial position, and the delays, however unintentional, that have taken place in furnishing us with the information which we have actually received are causes which have materially impeded our progress, and consumed in mere inquiry time which should have been available for inference and deliberation."

Another equally competent authority, the French Inspecteur des Finances, sent here officially in 1860, writes thus to his Government: "Votre Excellence sait de combien de difficultés sont entourées les récherches de cette nature; aussi me garderais-je bien, quoique en Turquie depuis huit mois, de faire un rapport sur son état financier; et je prie votre Excellence de ne considérer ces renseignements que comme les plus grandes probabilités. Aucun exposé ne nous a été fait jusqu'ici par les Ministres des Finances qui se sont succédés, et je commence à me l'expliquer par le désordre et la confusion qui sont tels que personne, je le crois fermement, ne sait complètement jusqu'à quel point le Gouvernement Turc se trouve engagé."

4. Mr. Foster and Lord Hobart's Report of 7th December, 1861, leaves very little to be added on the subject of Turkish taxation. Any additional remarks on this subject, to be of value, must be the result of patient investigation. Such an investigation I have already undertaken. To have accomplished it by the present date would have been simply impossible. I am therefore reluctantly obliged to reserve this extensive subject for a future Report, and to confine this my present one to the following four points:—

Section A. The Budget and Currency.
Section B. The Debt.
Section C. Recent Financial Measures.
Section D. Present Financial Situation.

Section A.—*The Budget and Currency.*

5. The Turkish estimates are drawn up in an imaginary unity, called a "purse of 500 piastres." This latter coin

has in the process of time undergone constant alteration, and from having been a large silver dollar of 9 drachmes of pure silver, worth about 4*s.*, it has fallen as low as $\frac{3}{4}d.$ The Caimé piastre has now been suppressed, and one source of confusion has been removed. There are still, however, *four different piastres or multiples of the piastre in circulation*, all varying slightly in value, and moreover fluctuating in their relative values towards each other. These are the gold (Medjidié), silver, bechlik (base silver), and copper piastre. The term "piastre" alone, therefore, conveys no accurate expression of value. This opens a wide door for confusion and fraud, and offers a preliminary difficulty in the study of Turkish Finance.

The last estimates are in purses of 500 Medjidié piastres, or 5 Ottoman livres called Medjidiés. The purse of former times varied with the value of the piastre. In 1861, Her Majesty's Commissioners set down the piastre at $\frac{1}{125}$ of 1*l.* sterling, and consequently the purse at 4*l.* Since that time the value of the piastre has risen to 2·1664*d.*, and consequently the purse to 4*l.* 10*s.* 0·849*d.* sterling. The value of the Turkish gold currency is variously set down in books. Most writers have fallen into the error of giving it the standard of ·9165, when it is really ·9160. The golden Medjidié ought to weigh $2\frac{1}{4}$ drachmes, or 111·368 grains, to contain 102·0129 grains of fine gold, and therefore to be worth 18*s.* 0·648*d.* In practice, however, it is found that its average weight, when new, is only 111·109 grains, its contents in fine gold 101·7758 grains, and its value consequently (at the English Mint price of 4*l.* 4*s.* $11\frac{1}{2}d.$ per oz. for fine gold, or 0·0088494*3l.* per grain), would be 18*s.* 0·169*d.* The Medjidié piastre (the 100th part of a Medjidié), would at this rate be worth 2·1664, and the sovereign=piastres 110·7773. In the following Report, *the Turkish livre or Medjidié is reduced at the rate of* 18*s.*, which is a fraction of a penny under its intrinsic value, and the purse at 4*l.* 10*s.* The only exception to this rule is in treating of the conversion of 1865 (Sec. C. 7), where the par of exchange of 110 piastres laid down in the law, has been necessarily preserved.

(No. 1.)—Comparative Estimates of the National Revenue and Expenditure during the following Financial Years; compiled from official sources.

REVENUE.

	1275.* 1859-60.	1278. 1862-63.	1279. 1863-64.	1280. 1864-65.
	£	£	£	£
Verghi (property tax)	2,224,320	2,849,872	2,745,932	2,728,841
"Rachat militaire"	476,873	543,573	545,270	549,747
Tithe	2,844,515	3,908,615	3,713,139	3,944,768
Sheep tax	706,332	766,512	794,552	1,005,651
Swine tax	83,620	21,781	13,131	16,394
Customs	1,385,438	2,546,991	2,250,000	1,917,000
Tobacco	205,822	832,500	540,000	1,057,500
Fish tax	67,899	66,227	51,471	56,169
Contracts	18,809	37,818	14,135	15,426
Stamps	24,909	202,469	135,000	135,000
Spirits	37,527	133,952	112,500	162,000
Tapou (a peculiar transfer duty) ..	55,400	189,752	112,500	112,500
Vacoufs, additional tax on ..	..	135,000	..	..
Miscellaneous taxes ("rassoumi") ..	813,258	1,200,504	1,102,000	1,102,500
Total taxes	8,944,722	13,435,290	12,129,638	12,803,504
Post Office	50,142	81,698	89,090	90,684
Imperial printing office	7,330	9,995	9,851	11,250
Lands of the State	27,658	31,433	17,307	15,106
Fisheries, ditto	16,020	18,652	20 610	20,610
Forests, ditto	5,288	29,988	14,260	15,750
Farms, ditto	62,486	73,908	78,291	74,781
Salt works, ditto	85,537	670,910	562,500	990,000
Mines, ditto	9,150	106,475	83,610	71,298
Tribute of Egypt	320,000	360,000	360,000	360,000
Ditto Wallachia	20,000	22,500	22,500	22,500
Ditto Moldavia	12,000	13,500	13,500	13,500
Ditto Servia	18,400	20,700	20,700	20,700
Ditto Samos	3,200	3,600	3,600	3,600
Ditto Mount Athos	696	783	783	652
Special revenues of Minister of Marine	118,719	55,256	54,311	57,942
Ditto, ditto, Commerce	6,216	13,829	16,172	4,172
Ditto, ditto, Public Works ..	..	..	..	13,788
Total Ordinary Revenue ..	9,707,564	14,948,432	13,496,728	14,589,855
Sales of State lands	4,040	657	50,654	..
Total Revenue	9,711,608	14,949,089	13,547,382	14,589,855

* This is the date by which the financial year is designated in the official estimates, as being that in their calendar which, though not identical with, most nearly corresponds with the Turkish financial year. This always begins on the 13th of March and ends on the 12th of March new style.

In the above Table fractions of 1*l.* sterling are not expressed in the items, but the value of those omitted is included in the totals. This will account for slight apparent errors of addition.

EXPENDITURE.

	1275.* 1859–60.	1278. 1862–63.	1279. 1863–64.	1280. 1864–65.
	£	£	£	£
External debt (interest and sinking fund	891,023	1,106,865	1,582,065	2,061,216
Internal debt—				
Consolidés and Tahrilatis ..	686,800	562,500	1,282,500	1,507,500
Eshami-mumtazés and On-sénéliks		260,078	206,078	199,980
Sehims, Moukatas, and Timars, interest on..		472,111	556,925	470,513
Internal loan of 400,000 purses, interest		108,000	..	..
Orphan fund, interest		26,177	26,177	44,586
Dotations of provisions of Hidjaz and Yemen Surré (gifts) sent to Mecca, &c.	384,252	334,755	333,522	337,401
Pensions and aids ("vésaif") ..	215,304	294,737	306,990	532,687
Ministers without portfolio and Supreme Council of Justice, salaries .	119,365	76,383	61,790	75,568
Ministry of the Civil List ..	1,253,878	1,110,595	1,084,419	1,085,400
Ditto of War	3,401,220	4,317,548	3,725,059	2,956,725
Direction of Artillery	145,530	194,667	171,000	600,057
Ministry of Marine	790,801	1,106,514	946,607	918,929
Ditto of Justice..	85,244	95,877	94,023	94,252
Ditto of the Vacoufs (Worship) ..	152,341	181,080	181,180	177,547
Ditto of the Interior	1,524,333	1,617,930	1,585,066	1,657,057
Ditto of Foreign Affairs	205,412	128,993	118,026	118,687
Ditto of Commerce and Agriculture .	100,359	16,988	17,955	21,532
Ditto of Instruction and Public Works		48,470	42,435	56,646
Ditto of Police	110,373	133,106	148,271	146,304
Ditto of Finance	1,022,348	692,244	586,953	613,620
Ordinary Expenditure, Total ..	11,088,583	12,885,935	13,057,082	13,676,226
Reserve fund	..	247,500	..	..
Accounts current with bankers ..	..	..	..	158,562
Syrian bonds	..	..	..	263,520
Verghi, repayment of advance on ..	..	282,802	280,940	102,217
Circassian immigrants	..	..	22,500	225,000
Total Expenditure ..	11,088,583	13,416,237	13,360,522	14,425,525
Revenue	9,711,608	14,949,089	13,547,382	14,589,855
Balance	1,376,975 deficit	1,532,852 surplus	186,860 surplus	164,330 surplus

7. It is impossible to procure any Budget more recent than that for the year 1864–65. The above Table shows the three last Budgets which have been presented to the public, compared with one of an older date. These figures, though official, cannot be relied on as even approximative, or as anything more than conjectural. No final account of any one "exercise" has yet been made public. It is to be feared that these Budgets will give but an *illusory idea of the real situation*, unless coupled with the following facts:—Firstly, many of the receipts are not available for six months or more after the close of the year, while the

* See note, p. 432.

expenditure may be also postponed for some time, but not to the same extent. In short, the above figures present substantially only the ordinary "exercice," *i.e.*, the operations technically assignable to, not those actually to be effected within any given year. Secondly, they give no real insight into the immense Extraordinary Receipts and Expenditure of every year, whether from loans or wars.

8. A great part of the revenues, viz., the Verghi, the Rachat Militaire, and the Tithe of Roumelia, are fixed beforehand at certain amounts, and are therefore not liable to much alteration. The other taxes are about stationary, excepting the sheep tax, the tobacco and spirit duties, which have largely increased in 1864–65, owing to increased rates. The decrease observable in the Verghi will also be covered by some slight changes adopted in 1864. The tithes brings in 3,944,000*l.* per annum. Of this sum 1,575,000*l.* comes from Roumelia (European Turkey), where the tax is farmed to the inhabitants at fixed invariable rates. One great increase of revenue was realized in 1866, viz., in the tribute of Egypt having been raised from 80,000 purses (360,000*l.*) to 750,000 Ottoman livres (675,000*l.*), in consideration of the Firman of June altering the order of succession in the Pasha's family.

9. The decrease of 333,000*l.* in the *revenue from Customs* is ascribable to the annual reduction of 1 per cent. in the export duties stipulated in the late Treaties of Commerce. On the other hand, the increase of import duties tends to keep up the revenue. *Tobacco and salt* are now considerable sources of internal revenue, having both been additionally taxed in 1864. On the former a sliding scale, according to quality, was attempted for a time, but was abandoned in 1864 for an uniform rate of 12 piastres per oke (9*d.* per lb.), which has doubled the revenue. All the salt-works belong to the State. The produce is sold to retailers at a fixed price of 1 piastre per oke ($\frac{3}{4}d.$) per lb., double the previous rate.

10. On examining the *expenditure*, it will be found that the external debt shows an increase in one year of 479,000*l.*, and the internal debt one of 225,000*l.*; total, 704,000*l.* *The Civil List* comprises the dotations of the Sovereign, Princes, Princesses, and other members of the Imperial family, as also the pensions of old servants of the Palace. The reigning Sultan effected great reductions in this Department on his accession in 1861, and more recently,

in 1863, has surrended to the State a sum of 270,000*l.* per annum. Yet the amount charged, 1,085,400*l.*, is still large as compared with the resources of the Budget, and is, moreover, exceeded in practice. There is no appearance of a Court, but there is still much profusion, especially in the building of new palaces. The extensive works now going on at that of Tchéedgan, in the immediate vicinity of so many others belonging to the Crown, cannot but cause a painful impression. There is a reduction of 765,000*l.* in the last Budget of the *War Department*, of which, however, 625,000*l.* are transferred to other Departments, and 139,500*l.*, are an effective reduction. *The Ministry of Marine* is already slightly, but might be yet more reduced, and at the same time be made more efficient. Iron-clads and navy guns are not what are wanted, but a few fast cruizers, which would be much cheaper and more useful. The sum of 613,620*l.* disbursed by the Ministry of Finance seems large, but includes, among other things, the cost of building barracks and fortifications.

11. *The Second or Extraordinary part of the Table of Expenditure* for 1864–65 comprises four items which ought not to be permanent. The first is the interest expected to be payable for temporary so-called "Galata loans." The next is the first of four annuities of 263,520*l.* issued for the purpose of indemnifying the sufferers from the Syrian outbreak of 1860. This event is admitted to have cost 1,300,000*l.*, of which a small part has been levied by means of an extraordinary tax on that province. A sum of 1,080,000*l.*, forming about half the Verghi, was raised from the tax-payers in 1860 as a forced loan, to be repayable in four annual instalments of about 270,000*l.* The last of these became payable in 1864, but one-half of this payment was deferred from motives of necessity. On this becoming known, many localities surrendered their claims on the Treasury altogether.

12. *An Imperial Iradé of September* 1855, which derived additional force from having been confirmed in the Hatti-humayoun of February 18, 1856 (Article 20), and a more recent Hatt of January 19, 1862, order the annual elaboration, discussion, and publication of the Budget; the same to be prepared at least two months before the opening of the financial year (March 13); and its examination by an Assembly specially convoked *ad hoc*, to be formed of the

Cabinet Ministers, the heads of the various Departments, the Members of the Grand Council of Justice, and to be termed the General Council of the Empire.

13. For several years the Iradé remained in abeyance, but at last, under the vigorous impulse of the late Grand Vizier, Fuad Pasha, two or three Budgets were printed. *The last of these, that for* 1864–65, accompanied by Reports drawn up by his Highness and by the Minister of Finance, dated the 27th of November and 18th of October, 1864, appeared in 1865, therefore at the close of the financial year to which it refers. We are there informed that each Minister had prepared his budget of expenditure before the opening of the year (March 13), but that the Budget of Receipts could not be drawn up till September, as the adjudication of the indirect taxes which begins in March, and that of the tithes, which begins in June, are not finally closed till the end of August. The aggregate Table had been framed as early as it was possible by the Minister of Finance, and discussed in the General Council according to law.

14. The operations and accounts of the Treasury have, it is stated, entered upon a safe and regular phase. The balance of receipts and expenditure showed a surplus of 164,330*l.* The great and only difficulty yet remaining was the inevitable delay in the collection of the revenue, which made it impossible to defray current expenditure out of ordinary receipts. A great part of the revenue pertaining to a given year not being realized till indefinite periods after the expiration of the year, entailed the necessity of temporary loans. This evil called for a prompt and effectual remedy, though it constituted *only a "découvert d'exercice," not a "déficit budgétaire."*

15. Investigation showed that, of the 14,589,000*l.* forming the estimated revenue, the Treasury could only count on receiving 11,250,000*l.* or 11,500,000*l.* within the year; consequently the revenue in arrear must amount to 3,000,000*l.* or 3,500,000*l.* Of this amount only 1,800,000*l.* could be counted on during the ensuing year, and the balance perhaps several years later. The Council devoted all its care to elicit the *amount actually receivable within the year*, without distinguishing the "exercice" to which it might technically belong, and arrived at the following result for 1864–65:—

	£
1. Revenues receivable in full during the year ..	4,725,000
2. Ditto ditto partially ditto ..	6,683,000
3. Ditto ditto being arrears of former years	1,782,000
Total	13,190,000
On comparing this sum with the estimated expenditure of	14,425,525
There would remain a deficiency of	1,235,525

16. After long deliberation the Council came to the conclusion of *reducing the expenditure for future years by* 1,012,500*l.*, thus reducing the deficiency to the moderate proportions of 233,000*l.* Of this reduction 954,000*l.* was to take effect in 1865–66, and the remainder in future years. The remaining small deficit might easily be borne for a time. The sum of 1,012,500*l.* laid down as the eventual saving to be realized, would leave the future expenditure at 13,410,000*l.* per annum. This, compared with the gross estimated revenue of 14,589,000*l.*, would leave an ultimate surplus in future years of 1,179,000*l.*, or, allowing for losses and "non-valeurs," of 900,000*l.* This surplus was to form a reserve, under the title of "Caisse d'améliorations."

The following Table (No. 2) conveys a statement of the reductions of expenditure voted for the "Exercice," 1865-66:—

	Purses.	£ Sterling.
Ministries of War and Marine: naval constructions; personnel of the artillery	112,500	504,000
Ministries of the Vacoufs; subsidy	25,000	112,500
Conveyance of Circassian immigrants (a reduction of one-half the sum allowed for this service in the preceding year) ..	25,000	112,500
Verghi tax; part surrendered to the Treasury on the instalment yet due of this forced loan (par. 11)	25,000	112,500
Province of Bagdad; general Government, expenses of ..	5,000	22,500
Province of Hedjaz; dotation of	5,000	22,500
Buildings and other general expenses	15,000	67,500
Total	212,000	954,000

17. The Council having adopted these measures, and having thus, we are informed, brought the future Budget to a state of equilibrium, turned their attention to the difficulty of the monthly "découverts." For this purpose it was thought advisable to create a permanent "fonds de roulement" of 1,725,000*l.* Another similar sum would be requisite to pay off the arrears of former years and the floating debt. The latter had been reduced from

14,400,000*l.* in 1862 to 900,000*l.* in 1864. Of the 2,700,000*l.* paid off in 1863-64, 1,800,000*l.* had been so by means of loans, and 900,000*l.* by a temporary use of the normal revenues. This latter sum, and another small remaining pressing balance of the floating debt must yet be provided for, making a second sum of 1,125,000*l.* *One more loan, therefore, for* 2,250,000*l.* *was necessary,* after which all apprehensions and difficulties would vanish. As a guarantee for this loan, two resources of the future were pointed out as available, viz., the 263,000*l.* of the Syrian annuity, which in three years would revert to the Treasury; secondly, the saving to be realized in the interest of temporary loans, which would be dispensed with when the Treasury would come into possession of its "fonds de roulement." These measures were unanimously approved by the members present of the Council-General, and finally sanctioned by an Imperial Hatt.

Section B.—*The National Debt.*

(No. 3.)—STATEMENT of the Component Parts, the Capital, the Annual Charge, &c., of the National Funded Debt for 1867-68.

Loan.	Rate of Interest.	Rate of Issue.	Nominal Capital.			Annual Charge.		
			Inscribed.	Redeemed.	Unredeemed.	Interest.	Amortization.	Total.
	Per cent.		£	£	£	£	£	£
1854	6	80	3,000,000	395,400	2,604,600	153,054	56,950	210,004
1855	4	102⅝	5,000,000	394,900	4,605,100	180,204	68,400	248,604
1858	6	85 in '58 / 60 in '59	5,000,000	419,600	4,580,400	270,312	79,700	350,012
1860	6	62½	2,037,220	141,100	1,896,120	114,847	23,900	138,747
1862	6	68	8,000.000	612,900	7,387,100	434,280	205,700	639,980
One loan 1863	6	72	6,000,000	217,000	5,683,000	330,314	149,000	479,314
One loan 1864	6	68	2,000,000	86,500	1,913,500	111,210	50,500	161,710
1865	6	66	6,000,000	73,000	5,927,000	348,747	157,500	506,247
Dette Générale	5	50	36,363,630	Nil	34,545,450	1,727,270	345,454	2,072,724
Total ...	...	...	73,400,850	2,440,400	69,142,270	3,670.238	1,137,104	4,807.342

18. The above Table, though not official, is compiled from the most authentic and trustworthy sources, and will show at a glance *the present state of the funded debt.* Its present amount is 69,142,274*l.* and its annual charge 4,807,342*l.* It is a common but not quite an accurate statement that before the last Russian war, Turkey had no national debt. There was no debt regularly "funded;" but there were large sums due to native capitalists in the shape of annuities, &c., amounting in 1846 to about 13,000,000*l.*; in 1854 to about 22,000,000*l.* The first mention of a deficit occurred

here under the reign of Solyman the Magnificent, (between 1520 and 1566) when this Empire had arrived at the zenith of its power. From that time the Exchequer has constantly had to struggle with a deficit, which was periodically surmounted by the most radical measures. The favourite one was a debasement of the currency.

19. Under Sultan Abdul Hamid (1784) the treasury was completely empty. At a dinan held in that year the question of a foreign loan was first agitated, two of the highest dignitaries pronounced themselves in favour of such a measure, and suggested that 5,000 or even 10,000 purses might be raised in Morocco, Holland, France, or Spain. This advice was over-ruled in favour of another expedient, viz., that of selling the revenues of certain provinces in advance, and by auction. Those of Cyprus and Smyrna were thus sold in 180 lots for 4,706 purses, which sum was deposited in the treasury for the wants of the fleet. This may be considered as the *origin of the public debt.* On two other occasions in 1788 and 1789 a loan was attempted but without success. From that time till the year 1854 the Empire was governed with boundless profusion, and had to encounter a constant succession of wars and rebellions; yet it came out of all these trials without the incubus of a permanent debt.

20. On the 24th of August, 1854, in order to meet the expenses of the war with Russia, *Turkey succeeded for the first time in contracting a foreign loan.* This was for 3,000,000*l.* sterling, at 6 per cent., was contracted with Messrs. Dent, Palmer and Co., was issued at the rate of 80 in London, was combined with a sinking fund of about 1 per cent. per annum, which enables it to be gradually and finally paid off by annual drawings in or before the year 1889, and was secured on the tribute of Egypt, At the price of 80 this loan represented a charge for interest of $7\frac{1}{2}$ per cent., and with the sinking fund $8\frac{3}{4}$ per cent. per annum for thirty-five years.

21. This first experiment was followed by *another in* 1856 *for* 5,000,000. This was a 4 per cent. loan guaranteed by the two allies of Turkey, Great Britain and France. It is to be paid off at par by annual drawings, the last of which will be in August, 1900. It is charged at the balance of the Egyptian tribute and on the Customs duties of Syria. A mixed commission composed partly of English and French delegates was charged with the control of the funds.

These events brought about another no less important, viz.: *an attempt at administrative reform.* An Iradé was signed in September (18 Zilcadé, 1271,) ordering the annual preparation of budgets of every ministry, the classification of receipts and expenses, and the creation of a Civil list.

22. In 1856 and 1857 no foreign loan was created, but the Government issued securities to the amount of 150,000 purses (650,000*l.*) called "*Eshami-mumtazés*" at 8 per cent. interest, to be paid off within three years. This engagement was not fulfilled. In the course of this latter year appeared another security, the "*Hazné-tahrili*" at 6 per cent. interest, and repayable in 1861. This engagement was also broken. By a notification 15th February, 1861, these Hazné-tahrilis were converted into another security called "*Tahrilati-mumtazé,*" and declared repayable within twenty-four years, by means of an accumulative sinking fund. The recalcitrant holders who refused to accept the Mumtazés lost all. These Tahrilati-mumtazés were again converted in 1865 into a perpetual 5 per cent Stock. Their original amount was 2,250,000*l.*

23. *A third loan was contracted in* 1858, *with Messrs. Dent and Palmer* and the Ottoman Bank, this time again for 5,000,000, of which 3,000,000 were issued in 1858, at 85, and 2,000,000 in 1859 at 60. It was provided with a sinking fund of 2 per cent., enabling it to be paid off at par by annual drawings, the last in 1893; it was raised to withdraw the paper money, and was secured on the Customs duties and octrois of Constantinople, and on the general revenues. The object of the loan was only partially attained. Of 5,571,000*l.* in Caimés then in circulation, 4,896,000*l.* were withdrawn, and 675,000*l.* remained. In order to redeem these, a tax was levied on real property, and produced 405,000*l.* There still remained 270,000*l.* of Caimés outstanding, and for this insignificant sum the whole operation miscarried.

24. In 1859, besides the above 2,000,000, the liquidation of the Palace debts caused the issue of a new local security called "*Eshanei-djédidé*" (new bonds), generally known as the *Turkish Consolidés*, bearing an interest of 6 per cent., and repayable in twenty-four years. The whole amount was 4,500,000*l.* to be divided into three issues, spread over three years. Another variety of bond came out this year, viz., the ten years' Serghis (*on-sénélik*), to bear an interest of 6 per cent., and to be repayable at

par in five annuities, the first of which was to begin in 1865. This latter engagement was not kept, but the On-sénéliks, after receiving no interest for three years, were merged into the Dette Générale in 1865, by which their security was improved, but their interest was reduced to 5 per cent. The amount of On-sénéliks originally issued was 4,050,000*l.*, and their object was to liquidate old debts of the Palace, which then had arrived at a most inconvenient height.

25. This same year is memorable for the creation in October of the "*Financial Commission*," composed partly of British, French and Austrian Commissioners, which was charged to investigate the financial situation of the Empire, to prepare a reform of the fiscal system, and to propose any measure calculated to introduce order and regularity. This Commission received, by a Decree of 24th June, 1860, more extensive attributions, a more imposing title, that of *Supreme Council of the Treasuries*, and a President of high rank, Mehemet Rouchdi Pasha, who had been once before, and is now again, Grand Vizier, and was installed with great solemnity. Finally, however, after a year's experiment, the British and French Commissioners declared that in whatever direction they had attempted to secure some control over the public purse, their efforts had failed, and that having been thwarted in all their endeavours, they thought it their duty to retire.

26. This Council was a prelude to, and a condition of, a *new loan*. This time the amount was 16,000,000*l.* sterling, and the contractor was M. Mirès. Only 2,037,220*l.*, however, of this loan were issued, and at the price of 62½. Its sinking fund was only of ¾ per cent., its rate of interest 6 per cent. It is paid off like all the others by annual drawings. It was raised nominally to redeem the Caimé, and to reform the general financial system, but did not effect either of these objects. It is charged on a great variety of revenues, chiefly the tithes, customs, and general revenues.

27. Meanwhile the charges of the State and the paper money went on increasing. At last, in despair, the Government took up a *new project, which, instead of withdrawing the Caimé, consisted in extending it to the whole Empire,* excepting only the Provinces of Djeddo and Yemen. This was combined with a highly imaginative mechanism for "keeping up the exchange," ("le mantien

du change"), and for the ultimate withdrawal of the Caimé in eighteen years. This inconsiderate scheme was actually passed into law, and ordered to come into vigor with the new financial year, 13th March, 1862. Meanwhile the Mint continued to fabricate paper money by wholesale, and threw 30,000,000 piastres of it every month on the market of Constantinople. Of course gold rose, or to speak more accurately, paper fell in proportion, till the paper piastre was only worth $\frac{1}{350}$ of the gold Medjidié or $\frac{6}{10}$ of a penny. Fortunately the Government took fright at this crisis, and withdrew its scheme. With great energy it again resolved to suppress the Caimé at whatever cost.

28. Under these wholesome impressions, the new Sultan, Abdul Aziz, issued the Hatt of 19th January, 1862, investing the Grand Vizir with the responsibility of the national finances, ordering the publication of the budgets, and promising various savings. The Grand Vizir showed great energy in carrying out these orders, by the immediate publication of the budget for 1862-3, and by promising a Court of Accounts and various other reforms.

29. These measures paved the way for the 1862 loan of eight millions, for a fourth issue of Consolidés, and for the issue of a new series of "Lehinus," or life annuities. *The fourth issue of Consolidés, called the "Aziziés,"* is the only one known in European markets. They were an internal stock, issued to replace the Caimé, but were negotiable abroad and payable to bearer, the interest being payable only in Constantinople. Their original amount was 12,500,000 Medjidiés (11,250,000*l.*). They receive 6 per cent. interest, and were to be paid off at par by means of a sinking fund amounting to 2 per cent, by which all would be redeemed within 22 years.

30. *The eight million loan of* 1862 was issued by the Ottoman Bank and Messrs. Devaux, at 68. Its net produce, deducting commission, discount, and incidental expenses was 5,148,255*l.*, equal to a price of 64, or a charge of $9\frac{3}{10}$ for interest. It was secured on the tobacco, salt, stamp, and license duties, and on the general revenues. It was raised for the *withdrawal of the Caimé* (which was then, at last, really effected), and for the consolidation of the floating debt, which was partially effected. Of the proceeds of this loan, 3,652,583*l.* were expended on the redemption of the Caimé. The total amount of the latter withdrawn

was 998,800,720 piastres, nominally equal to 9,080,000*l.* It was reimbursed at its nominal value (an exaggerated valuation) by a payment of 40 per cent. in cash, and 60 per cent. in Consolidés at par. This operation was highly beneficial to commerce, but might have been effected at less cost to the country. It commenced on the 13th of July, and was completed on the 12th of September. It then transpired that the unfunded liabilities of the Porte amounted at the beginning of 1862 to

	£
Caimé	9,099,046
Floating debts	10,900,786
Total..	19,999,832

Of which at the end of the year, notwithstanding extensive funding operations, there remained outstanding about 7,500,000*l.*

31. *In* 1863 the Sultan gave up a part of his Civil List (vide sec. 10), and ordered the suppression of every useless sinecure and office. A *new loan of six millions* was negotiated with the Imperial Ottoman Bank, and issued at 72; interest, 6 per cent.; sinking fund, 2 per cent. It is to be paid off at par by half-yearly drawings; the last of these in 1887. Its purpose was to clear off the floating debt, and for public works. It was secured on the superfluous portions (estimated at 254,545*l.* and 327,272*l.*) of the revenues assigned to the 1860 and 1862 loans, on the indirect taxes to the extent of 54,545*l.* per annum, and on the general revenues present and future. According to an account which I do not vouch for, the proceeds of this loan were as follows:

	£	£
Capital of 6,000,000*l.* at 68 contract price ..		4,080,000
Deduct commission and costs	338,000	
Do. interest and sinking fund, first year..	483,000	
		821,000
Net proceeds		3,259,000

This would represent a net price of 54 per cent.

32. In this same year, on the 6th of November, the Grand Vizier presented the second of his remarkable *budgets —that for* 1863-4—accompanied with a highly favourable report of the financial situation. All the Galata debts were extinguished. All the chief Departments of the State had

followed the example of the Sovereign in reducing their establishments. Four highly-important fiscal reforms were announced, which will be adverted to in the next section. The institution of the Imperial Ottoman Bank, specially charged with the payment of the interest on the debt, falls under this year. From having been an English it has become a Turkish joint stock company, incorporated by Firman.

33. 4,000,000*l.* *were added to the funded debt in* 1864, of which only one-half of 2,000,000*l.* appears in the Table No. III, forming part of the 1863 loan, but issued this year at 68, instead of at 72. In all other respects the conditions, and guarantees of this issue were the same as those of the previous issue of 6,000,000*l.* The object specified was to withdraw a portion of the debased currency, but the loan was applied to this purpose only to a very limited extent. Another sum of 2,000,000*l.* was issued in this year by the Société Générale de l'Empire Ottoman, in the shape of a lottery loan, paying 8 per cent. interest. The bonds each of 100 Medjidiés, were repayable by rapid instalments, and with prizes in or before 1869. This loan being hypothecated on the sheep tax, was nearly all bought up in 1865 by the Imperial Ottoman Bank, in order to cheat the sheep tax, for the larger loan then charged upon it. The few bonds about 200,000 Medjidiés) which were not paid off in 1865, and which are still in circulation, are now properly a debt of the Société Générale, not of the Turkish Government.

34. The 6,000,000 *loan of* 1865 was raised to pay off the floating debt, and to meet the interest on the funded debt, was issued by the Imperial Ottoman Bank, at the price of 66, and was charged on the sheep tax of Roumelia, and the Archipelagus, on the produce of the mines of Tokat, on the revenues of Saïda, after 1868, to the extent of 180,000*l.* per annum, and on the general revenues. The sinking fund is of about 2 per cent. or 120,000*l.* per annum, which is applied annually as usual to the reimbursement of the bonds at par by half yearly drawings. The whole loan will thus be finally paid off in and before 1886.

35. The year 1865 is memorable also for the creation, by a law of the 29th March, of the "Great Book of the General Debt of the Ottoman Empire." This debt is to bear an interest of 5 per cent. guaranteed by the general revenues of the Empire. Its administration is entrusted to a governor of the general debt. The interest is made

payable on the 13th days of January and July; at Constantinople and the chief cities of the Empire, in gold Medjidiés; at London in pounds sterling; at Paris, Amsterdam, and Francfort in francs. The bonds are each separately inscribed in the "Great Book," and are of three categories:—

1. Those of 110 Medjidiés, estimated as equal to 100*l.* or 2,500 francs.

2. Those of 55 Medjidiés, estimated as equal to 50*l.* or 1,250 francs.

3. Those of 11 Medjidiés, estimated as equal to 10*l.* or 250 francs.

36. The bonds of this debt confer a perpetual annuity but no right to a reimbursement of the capital. There is a sinking fund attached to the debt; which is to act by purchases in the market, not by specified drawings, forming part of the contract, as in all the other loans. The new law provides for the *creation of two funds*, by rather a complicated machinery. First, a "masse" is to be formed of an annual contribution from the Treasury of 1 per cent. on the capital of the debt, plus the interest of bonds already redeemed. This "masse" is not all to be applied to the redemption of bonds, but only a part of it sufficient to purchase bonds equal in nominal amount to the whole available amount of the "masse." At the present price of 29*l.* for 100*l.* bonds, only 29 per cent. of the "masse" would be applied to the *sinking fund*. The balance of the "masse" after the above allocation, viz., that proportion of it represented by the difference between the nominal and market value of the bonds redeemed, is to form *a reserve fund*, which may be invested in negotiable securities or lent (part of it) to the Minister of Finance for short periods at 5 per cent. A "Conseil de Surveillance" of from 5 to 9 members is appointed by the Government from among the directors of the Imperial Ottoman Bank, and the notable bankers and merchants, to verify the books and cash, and is to publish in the official journals an annual report on the operations of both funds. Such a report has not yet appeared. It is estimated in the law that the capital of every debt thus inscribed will be redeemed finally within thirty-seven years from the date of inscription.

37. By a simultaneous law dated the 30th of March, *a sum of* 40,000,000 *Medjidiés* (36,363,630*l. sterling*) *is ordered to be inscribed in the Great Book*. Of this sum 29,000,000

Medjidiés (26,363,640*l.*) were to be employed for the "unification" of the internal debts; 4,000,000 Medjidiés (3,636,360*l.*) were to be offered at once to public subscription, and the proceeds were to be applied to the service of the Treasury. These 4,000,000 represented in capital the difference between the annual charge on the old internal debts now to be converted, and the interest at 5 per cent. payable on the 29,000,000 Medjidiés now issued to replace those debts, and therefore constituted no additional charge on the Treasury. The balance of the 40,000,000 Medjidiés, being 7,000,000 Medjidiés (6,363,630*l.*) was to constitute a reserve especially applicable to public works, and was to be issued in three annual instalments, viz., 2,000,000 Medjidiés at soonest one year after the subscription to the 4,000,000 Medjidiés, therefore not before May 1866; 3,000,000 Medjidiés at soonest a year after this first issue, therefore not before May 1867; and the last instalment of 2,000,000 Medjidiés to be issued at soonest a year after the second, therefore not before May 1868. The two first instalments have however been already issued; the second prematurely in 1866, to meet pressing liabilities. The whole amount of the general debt now issued may be set down at 38,000,000 Medjidiés, or 34,545,450*l.* bearing an annual interest of 1,727,270*l.*

38. It appears that *the national debt of Turkey now funded and inscribed amounts to* 73,400,850*l.* Of this amount 2,440,400*l.* have been already paid off, by the action of the sinking funds, and 2,000,000 Medjidiés (1,818,180*l.*) have not been issued. There remains therefore a *sum now due of* 69,142,270*l.* Of the above sum it is impossible to state the exact proportion which has actually entered the Treasury. On taking as a basis the nominal price of issue of each separate loan, it would appear that the proceeds of the six foreign loans, and of the "Dette Générale" would have been 44,971,727*l.* The nominal price of issue being however liable to many deductions, is no true exponent of, but is always higher than the real amount which enters the Treasury. The net amount received during the last thirteen years cannot have been more than 40,000,000*l.* or about 3,375,000 per annum. The aggregate net amount of debt incurred during these thirteen years, being 69,142,270*l.*, would show an annual average addition of 5,300,000*l.*

(No. 4.)—COMPARATIVE STATEMENT of the Official Quotations of Turkish Stocks on the 11th of January of the following years; also of the Highest and Lowest Quotations of the year 1866; mostly taken from the London Stock Exchange.

Loans.	Price of Issue.	1855.	1856.	1857.	1858.	1859.	1860.	1861.	1862.	1863.	1864.	1865.	1866.	1867.	1866. Highest and Lowest.
Consolidés at Constantinople	..	..	..	..	..	51	40	35⅜	45¼	53	53	Converted into dette général e.			
1854 .. .. .. Dividends, April, October	80	77	80½	95	98	90½	78	70	81½	85½	90	89½	89	77	94–76½
1855 .. .. .. Dividends, Feb., August	102⅝	..	4½ Dis.	103¼	104	105¼	105	102	103	103	103	101½	100	100	..
1858 .. .. .. Dividends, March, Sept.	85	..	..	..	..	4 Dis.	65	56½	71½	71	70	71½	69	57	72½–48
1862 .. .. .. Dividends, January, July	68	..	..	..	..	..	..	..	..	67½ Ex. Div.	67½ Ex. Div.	70½ Ex. Div.	67¾ Ex. Div.	54½ Ex. Div.	73–48
1863 .. .. .. Dividends, January, July	72	..	..	..	..	..	..	..	..	..	65 Ex. Div.	67	66	49	68½–42
1865 .. .. .. Dividends, January, July	66	..	..	..	..	..	..	..	..	..	..	..	53½	49	66¼–36
Dette Générale .. .. Dividends, January, July	50	..	..	..	..	..	..	..	..	..	..	..	39½	29½	42¾–24½

ection C.—*Recent Financial Measures.*

39. The most conspicuous law of recent times, that intended to be the starting point of a new era, was the *Hatti-Houmayoum of 18th February*, 1856, or the law of the Tanzimât, issued under the auspices of Aali Pasha, present Minister for Foreign Affairs. This organic law confirms the important Hatti-Houmayoum of Gülhané, issued by the same Sultan Abdul-Medjid, on the 3rd of November, 1829, soon after his accession; it embodied a whole system of civil and political reforms, founded on the principle of the equality before the law of all the subjects of the Empire, and holds out a seductive programme of financial and economical reforms, which, though not yet carried out, must be at least mentioned here, as affording the most authoritative exposition of the national wants. The Hatti-Houmayoum formally confirms the Iradé of 1855 (vide Sec. 12) on the yearly budgets, and further orders a revision of salaries, the institution of banks, the reform of the monetary and fiscal system, the creation of funds destined to augment the material riches of the Empire, the establishment of roads and canals, and finally the suppression of every impediment to commerce and agriculture.

40. Under the energetic impulse of the late Grand Vizier Fuad Pasha, numerous financial measures were projected and some were carried out at least partially; others were suspended in their execution by his sudden dismissal in June last, or by other causes. The first of the measures announced by his Highness in 1863, but not yet carried out was the imposition of a *tax on real property in Constantinople*. This was to be a moderate tax, so asssesed as to press only on the wealthier classes, to be payable only out of all tenements producing a rent or serving for purposes of recreation, exempting all those occupied by their own proprietors. The present taxes on licenses and leases were to be merged in this tax. It is certainly inequitable that the richest locality in the Empire should be thus exempted from direct taxes, and moreover impolitic, as tending to draw the scanty population from the rural districts, thus concentrating, therefore, intensifying the elements of disorder and crime.

41. The next measure announced and actually attempted by Fuad Pasha, was the *reform of Vakoufs*. This has long been called for by all who have examined the subject, as

offering a future valuable resource to the State, without really injuring the mosques or charitable foundations to which Vakouf property belongs. A very moderate measure was announced in 1862, and an additional tax on Vakoufs, affording some equivalent to the State for the expenditure incurred by it on this Department, viz., 177,000*l.* per annum was set down in the budget, but was never collected. An attempt to carry out this measure was frustrated by the opposition of the Sheik-ul-Tslam and the Ulemas.

42. The third reform promised in 1863, and as yet not carried out, was that of the *internal Custom-houses, and of the indirect taxes in general,* with a view, as officially announced, of delivering the population from the abuses "under which it suffers, the suppression whereof would contribute in the same proportion to augment the revenues of the State." In opposition to the most obvious economical principles the transit of native goods from one province to another, already sufficiently impeded by the absence of roads, and the export of the same from the Empire, are still hampered with vexatious duties and restrictions.

43. It was proposed, fourthly, to extend and accelerate the cadastre (valuation) of the territory, which has already been commenced. This work will, in the words of the Minister, "expose the delinquencies and injustices committed in the assessment of the taxes; will relieve the burdens of the indigent part of the population; will cause the rich to contribute in proportion to their means, and will insure the collection of the full amount which is due." This operation must of course be a work of many years.

44. Another useful measure decreed by the late Grand Vizier, was the *re-organization of the "Conseil des Trésors,"* by an Imperial Iradé of 2nd October, 1865. The former Council (vide sec. 25) had ceased to meet, we are informed, since the application of the new "financial ameliorations," which formed the object of its institution. It was now reconstituted with more extensive attributions, and composed: 1. Of six ex-officio members, viz., the Ministers of Finance, Commerce, and Vakoufs, the Governor of the General Debt, the Directors-General of Indirect Taxes, and of the Post Office; 2. Of other permanent members to be specially named by the Crown. In this latter category

five members, all Ottoman subjects, were appointed. The duties of this Body were defined as being to study:—1, the best means of promoting the regular collection of the revenue; 2, the best means of increasing the revenue by attracting associations for the promotion of commerce, agriculture and roads; 3, what improvements should be introduced into the management of mines, forests, and other States' property; 4, the necessary regulations for the proper expenditure of the public funds; 5, the organization of a good system of accounts. This law is useful, as pointing out the chief financial desiderata, but has borne no other fruits, the Council having seldom, if ever, been assembled.

45. The principal financial measure carried out by the late Grand Vizir, was that known as the *Conversion of* 1865. The nature of the General Debt has been exposed above (sec. 36). Its creation and emission were provided for by the two laws of 29th and 30th March, 1865. The conversion of the Internal Debts was regulated by that of 31st of March, which must be briefly described. This law orders the conversion into bonds of the General Debt, of the Consolidés of all four emissions, of the Tahrilati-mumtazés, and of the ten year's Serghis, called Onsénéliks. The conditions of this conversion were, that in exchange for 100 Medjidiés in either of the two first categories, and for every 71,000 piastres (Medjidiés) in the third, there should be delivered bonds of the General Debt to the following amounts:—

	Medjidiés.	£ Sterling.	Francs.
For 100 medjidiés in Consolidés ..	121	110	2,750
„ „ Tahrilatis ..	143	130	3,250
For 11,000 piastres in On-sénéliks	110	100	2,500

All these old stocks bear interest at 6 per cent. In order, therefore, to secure to them the same income in a 5 per cent. stock, it was necessary to increase their capital in the ratio of 5 to 6. On this basis the rate of conversion would be in all three cases 120 for 100 Medjidiés. The legal rate of conversion is therefore in the two first categories higher, in the third lower, than par. In the first category the bonus is merely nominal. On Tahrilatis it amounts to 23 Medjidiés per bond, and is intended to afford some equivalent for the high market value of this

stock due to its exceptionally large sinking fund of nearly 5 per cent. (*vide* par. 22). Thus the "rente" of one of these bonds was raised from 600 piastres to 858 piastres per annum, but the right of reimbursement at par was lost. The On-sénéliks (*vide* par. 24) were simply reduced from a revenue of 6 Medjidiés to one of 5 Medjidiés per annum. The unceremonious treatment of this stock is due to its origin, which was the usurious Palace debts of the last reign.

(No. 5.)—Explanatory Statement of the Capital and Annual Charge of the Ancient Internal Debts as compared with the result after their conversion.

Description of Stock.	Nominal Capital.		Annual Charge.	
	Previous.	Subsequent.	Previous.	Subsequent.
	£	£	£	£
Consolidés ("Eshami-djedidé") of 1st, 2nd, and 3rd emissions	4,043,176	4,892,244	363,637	244,612
Ditto, of 4th emission ("Azizies")	10,895,455	13,183,500	909,091	659,176
Tahrilati-mumtazés	1,775,619	2,539,135	250,000	126,955
Serghis of 10 years ("On-sénéliks")	3,454,546	3,454,546	207,272	172,727
Total	20,168,796	24,069,425	1,730,000	1,203,470
Capital actually issued for purpose of conversion	..	26,363,637 Increase.	..	1,318,181 Decrease.
Difference ought to be	..	3,900,629	..	526,530
,, actually is	..	6,194,841	..	411,819
Unexplained discrepancy, or excess of capital issued above that required	..	2,294,212	..	114,710

46. The whole nominal capital of the *internal debts to be converted amounted to* 20,168,796*l.*, which all bore 6 per cent. interest, involving a charge of 1,210,000*l.*, and were all provided by contract with fixed sinking funds, amounting to an annual sum of 520,000*l.* The first three emissions of Consolidés were repayable at par in forty-seven half-yearly drawings, and had only eighteen, twenty, and twenty-four years to run. The fourth issue (or Aziziès) emitted in 1862 (*vide* par. 29), of which 10,895,455*l.* were still outstanding, was provided with a sinking fund of about 2 per cent., by which all the bonds were to be gradually reimbursed at par in forty-seven half-yearly drawings. This issue alone was known in Western Europe, and was nearly all held there.

47. At first sight the treatment of these creditors does

not seem to be inequitable. Their income remains the same, and their nominal capital is augmented. The interest to be paid on the whole debt is much the same as it was before the reduction on the On-Sénéliks being compensated by the increased charge for the Tahoilatis. But the capital of the whole debt, from having been a reality is merely a name. *The large sinking funds appended to the debts have been virtually swept away.* Thus the whole debt was by the conversion mulcted of 520,000*l.* per annum, the Aziziés alone of 250,000*l.* Their capital, which was advanced for a specified period, not to exceed twenty-four years, was transformed into a perpetual annuity. Thus a temporary was converted into a perpetual risk.

48. It is true that a sinking fund is appended by law to the new "Dette Genérale" (*vide* par. 36), which, according to the Legislature, is to redeem the whole stock within thirty-seven years by means of purchases in the market. This is, however, a law which may be repealed or not executed, and will not be treated as a covenant binding on the State, as if it were written on the face of the bond. It is easy to predict that this engagement will not be kept, and that *the two ingenious funds mentioned above* (par. 36), *will never assume corporeal being.* The Tahrilatis and On-Sénéliks had no great reason to complain, the former being indemnified for the loss of their sinking fund, and both gladly seizing the opportunity of obtaining a marketable security of any kind, instead of their former bonds which were treated most unceremoniously by the Treasury. Thus for three years the On-Sénéliks had received no interest. They therefore joyfully hailed the new order of things, but were again doomed to disappointment. Their arrears of interest, amounting to about 700,000*l.*, were ordered to be paid in three annual instalments. One of these, however, due on the 13th July, 1866, of 230,000*l.*, has not yet been paid.

49. The Consolidés alone have material cause to complain of the conversion. It might be supposed that none of these holders would submit to the measure sought to be imposed upon them. They seemed to have everything to lose, and nothing to gain by it. There was, however, a *doubt whether the measure was optional or compulsory.* The law itself certainly says—"The conversion is ordered," &c., and imposes a penalty of 10 per cent. on dilatory bondholders. On the other hand, the Minister of Finance in

his preliminary statement clearly leaves it optional, when he says—"The general conditions of the conversion offer to the public such real advantages that, though this measure has no compulsory character, the complete success of this great financial reform cannot be called into question." *There is no means of eliciting what number of bonds have been presented for conversion,* but no doubt the great majority have been so presented. Fear was the principal motive, and was probably well-founded, judging from the fate of the Hazné-tahrilis in 1861 (*vide* par. 22), and from the fact that the last coupon (November 1865) of the Aziziès (not converted) was refused payment, though the two previous coupons, both maturing subsequently to the conversion, had been duly paid. In short, to this moment it is impossible to say here how much of the Consolidés have been converted, how much of the General Debt has been issued, and whether or not or how the recalcitrant holders of Consolidés are to suffer.

50. It might be alleged that, however injurious to the bondholders, this measure may have been beneficial to the Treasury. In this sense its action has been to allow a *very large addition to the debt, without entailing any fresh annual charge on the Treasury,* but merely by making certain previous charges permanent instead of temporary. In other words, it was a sale of the sinking funds formerly attached to the debts, and their immediate conversion into cash. Thus a new loan, ostensibly of 3,636,000*l.*, but really of 5,930,000*l.*, has been added to the debt. Under cover of the conversion, a sum of 2,294,212*l.* was added to the debt without any apparent necessity. The Table No. 4, derived from official sources, shows that the old debt of 20,168,796*l.* would have required for its conversion, according to the bases laid down by the law of the 31st March, 24,069,425*l.*, but not 26,363,425*l.*, which was the sum demanded. The only explanation hitherto afforded of this apparent discrepancy was, that this balance was destined for the extinction of the floating debt. This feature of the operation is still involved in some mystery.

51. *The accompaning loan of* 4,000,000 Medjidiés, was issued on terms more onerous than those of any preceding one. The nominal rate of issue was 50, but the real rate was disguised under the large commission secured to the contractors. This was 2 per cent. in cash, not on the amount of the new loan, but on the whole amount of the

General Debt, to be then issued for the conversion and new loan, viz., 30,000,000*l.* This commission amounted, therefore, to 600,000*l.* In return for this sum the contractors themselves undertook to issue the new loan, and to take 2,500,000*l.* of it themselves at the price of 50*l.*, that is, they contracted to pay the Government 1,250,000*l.* in bills, maturing within seven months, receiving stock to the nominal value of 200,000*l.*, which they could at once dispose of. This was their only risk. Taking the commission into account, their stock came to stand them at $32\frac{3}{4}$, and being saleable then at about 43, left a margin of about 250,000*l.* for profit.

52. *The tendency of these measures has been unfavourable to the credit of Turkey,* as proved by the figures of the Stock Exchange. The General Debt is quoted in London at $29\frac{1}{4}$ to $29\frac{1}{2}$ ex coupon, and has even fallen as low as $24\frac{1}{2}$, from having begun the year 1866 at about 40, and having been issued in 1865 at 50. The 1862 loan issued at 68, is at from $53\frac{1}{2}$ to $54\frac{1}{2}$. The earliest loan, that of 1854, being well secured, keeps up its price to 76–78.

53. The new Grand Vizier, since his accession in June last, has passed four measures directed to relieve the penury of the Treasury. The first was an Iradé promulgated in August, sanctioning the *immediate issue of the second portion* (3,000,000 Medjidiés) *of the reserved bonds of the General Debt,* which by law was not to have been issued before May, 1867 (par. 37). Secondly, all public servants have been called upon to surrender one month's pay. This is calculated to produce 600,000 Medjidiés, or 540,000*l.* It is termed a *voluntary donation.* An Imperial Firman of August 1866, informs us that:—"All the official and others receiving pay and pensions have readily, and for their country's sake, relinquished and made a donation of their salaries for the present month of August, to the Treasury."

54. *The same Firman proceeds to say* :—"The proceeds of this donation not covering the immense outlay incurred, it was with a view to find a means of covering these expenses, that the Ministers in Council considered the matter in all its bearings, and thought to contract a fresh loan to fill up the deficit. However, taking into consideration the present times, they have decided that the contraction of a similar loan would not only be concluded on onerous conditions, but would also involve the Treasury

for many years in an everlasting outlay. Therefore, with a view to fill up the existing deficit, it was thought necessary to adopt new plans, such as imposing heavier duties and taxes."

* * * * *

"In order, therefore, as far as possible, to cover the deficit in a manner the most beneficent and least costly to the Government and the country, the people of this Empire will be invited to afford their assistance. But although it is certain from the zeal and patriotism evinced by all my faithful subjects up to the present time, that they would be ready now, as heretofore, to sacrifice life and property for the sake of my Imperial Throne, it would not be in accordance with my Royal Will to lay upon them an oppressively heavy burden; wherefore all the Eyalets and Sandjaks having been for this once only assessed at * * purses, to be exacted under the denomination of "*Yanéi-mahsouzé* (special contribution), and this assessment meeting my Majesty's approbation, it is by this my Imperial Mandate ordered, that from this Eyalet and all the Sandjaks pertaining thereto, the quota of * * * purses, that has fallen to its share shall be collected, in accordance with the rule for the collection of the Verghi; making an exception in dealing with indigent persons, in which case their shares are to be made up by the rich and most zealous."

The produce was to be remitted forthwith to the capital, and not retained for provincial requirements, and the whole collection was to be completed before the end of February. The sum imposed was one-third of the Verghi, or 900,000*l.*

55. The fourth measure to be here mentioned, is that which had been long promised, and which appeared last September in the shape of a "*regulation*," adopted by the Council of Ministers, and sanctioned by the Sultan, relative to the *fixation and assignation of the revenues destined to guarantee the service of the external loans, and of the General Debt.* It is there provided that the surplus of those revenues assigned by contract to the various external loans, is to be applied, together with the general revenues of the Empire, to the payment of the charges on the General Debt. A tabular statement in two sections, is to be annually prepared, on 13th March, showing:—1, the charges of the External Debt for the ensuing year; 2, the

estimated proceeds of the hypothecated revenues; 3, the nature and amount of the revenues applicable to the General Debt. The second section of this tabular statement is to indicate the measures taken to make the receipts and disbursements coincide with each other in point of time. These tables, after having been sanctioned by the Sultan, are to be sent officially to the Imperial Ottoman Bank, together with "delegations" for receiving the necessary sums. The sums paid into the Bank on account of these revenues are to be published monthly in the "Djéridei Haradis" and the "Turquie" newspapers. The tables for 1867–68, were ordered to be published by a "Bouyrouldy" of 26th October, 1866.

(No. 6.)—STATEMENT of the Charges Payable, and of the Revenues Assigned, for the Service of the External Loans, and of the General Debt for the year 1867-68. [1283].

Charges.	Purses.	Sterling.	Assignments.	Annual Revenue Estimated.	Revenue Assigned.	
		£		£	Purses.	£
Service of the loan of 1854 ..	46,431	908,940	Assignment on the receipt from Customs duties and other indirect taxes (salt tobacco, silk) for ten months, viz., from the 1st of March to 31st of December, at the rate of 50,000 purses per month	3,513,000	500,000	2,250,000
,, ,, 1855 ..	55,067	247,801				
,, ,, 1858 ..	77,536	348,912				
,, ,, 1860 ..	30,847	138,812				
,, ,, 1862 ..	141,675	637,537				
,, ,, 1863 ..	106,109	477,490	Ditto, on the taxes levied in the capital, on liquors, fisheries, stamps, weighing duty, stamped paper, contracts, octroi, and sundries	222,000	29,700	133,650
,, ,, 1864 ..	35,795	161,078				
,, ,, 1865 ..	81,180	365,310				
,, General Debt,.	380,000	1,710,000	Ditto on the sheep tax	1,061,000	230,000	1,035,000
			Ditto on the miscellaneous taxes in the Sandjales ("Rossoumi-muteferrika")	1,072,400	40,000	180,000
Total charge of Debt ..	954,640	4,295,880				
Balance	37,660	169,470	Ditto on the tithes of some Sandjaks ..	3,668,000	60,000	270,000
			Ditto on the ancient tribute of Egypt, specially hypothecated to loans of 1854 and 1855 ..	360,000	60,000	270,000
			Ditto on the increased Egyptian tribute ..	315,000	60,000	270,000
			Ditto on the tributes of the United Principalities and of Servia	56,700	12,600	56,700
	992,300	4,465,350		10,268,100	992,300	4,465,350

56. The exigencies of the *funded debt are here set down at* 4,295,880*l.*, *the revenues assigned to cover this charge at* 4,465,350*l.* It is announced in a subsequent report of the Minister of Finance, dated 6th October, that 270,000*l.* of the tribute of Egypt is to be remitted as usual to London, and that the balance of the assigned revenues is to be "encashed" at Constantinople and paid by the agency of the Imperial Ottoman Bank. The 500,000 purses which form the first item, represent the minimum produce, for only ten months, of the revenues directly administered by the Government; orders are sent to the corresponding department to pay the revenues in question as heretofore in full every month to the bank. The second item is taken from the duties levied in the capital, which are partly "en régie" and partly "à ferme." For the latter, the revenue farmers and their securities are to sign an engagement on the adjudication, to pay the amount of their contracts to the bank. Where the revenues in question are farmed in the provinces, the amounts are to be lodged in the branch offices of that bank where such exist, or otherwise sent by the local authorities to the central office in Constantinople.

57. The amount assigned for the service of the debt varied considerably from that which is set down as the charge of that debt in my Table No. III, viz. 4,807,342*l.*, and would be insufficient by 511,462*l.* *The cause of this discrepancy* is to be sought for in the present uncertain state of the two loans issued in 1865. The difference of 141,937*l.* in the two estimates of the charges of the 1865 loan, proceeds from the omission in the official estimate of certain balances of this loan not yet issued to the public, but deposited with various bankers as security for short loans. Then the Minister gives 1,710,000*l.* as the amount required for the service of the general debt, which corresponds only with the amount allowed for the interest on the same, and would seem to leave nothing to provide for the 1 per cent. sinking fund established by law. At 6 per cent. this sum would only provide for the charge on 28,500,000*l.* of the general debt, whereas 34,545,450*l.* must now have been either issued or pawned (*vide* par. 49).

58. The "Règlement" of 6th September shows a most honourable desire on the part of the present Cabinet to fulfil strictly the heavy engagements bequeathed to it by its predecessors. The Government is evidently well aware that an act of insolvency is likely not merely to destroy the

credit of Turkey in the foreign markets, to which alone she could have recourse on an emergency, but also to create a hostile political feeling on the part of the English and French publics. *This measure does not amount to a "syndicate,"* such as is attached to the external loans for the purpose of watching over the punctual collection of the revenues hypothecated to them. Great objections were raised by the Government to the appointment of such a syndicate for the General Debt. The mere assignment of the revenues to the Imperial Ottoman Bank does not constitute the latter a "syndic," or representative of the bondholders. Still, this measure has certainly tended to restore confidence.

Section D.—*Present Financial Situation.*

59. *To give anything like a trustworthy balance-sheet of the Ottoman Treasury is an impossibility.* It is very doubtful whether the elements exist to enable the Minister himself to produce such a document. All, therefore, that can be done is to present certain facts and to draw from them the inferences which they would seem to justify. In the beginning of 1866 a Commission was appointed to examine the Budget for 1866-7 (1282), and the Minister of Finance laid before it a statement showing receipts amounting to 13,992,000*l.*, expenses amounting to 14,566,000*l.*, and a deficit of 514,000*l.* The Commission, after a long and careful examination of the items, carried the expenditure to 14,891,000*l.*; the receipts to 14,004,000*l.*; the deficit, therefore, to 887,000*l.* Moreover, with the Budget was presented a schedule of the floating debt, amounting to 3,579,000*l.*, of which 2,023,000*l.* fell due in 1866-7, and the remainder at a later period. Thus, there was a deficiency to meet in 1866-7 of 2,910,000*l.*, assuming the expectations of the Minister to be realized, or of 4,007,600*l.* if the estimates of the Commission were borne out by the results. The Commission prepared its report; but from that time nothing more has transpired on this matter.

60. It is certain that the schedule of floating debts was very incomplete, several debts to local bankers being omitted, as also the short loan contracted in 1865 with Messrs. Schapper, of Paris, for 1,080,000*l.*, at $16\frac{1}{4}$ per cent. The explanation of this omission was that the above loan was secured by a deposit of 3,600,000*l.* of Dette

Générale, which would be sold to defray it if the Government did not provide the funds otherwise. This has, in fact, been the case, and the above amount of stock (the contract value of which was 1,080,000*l.*, it being issued at 50) has been thrown on the market. It has been necessary to sell even more than that amount. Of the 7,000,000 Medjidiés to be reserved, according to the text of the law for public works, there remain 2,000,000 Medjidiés unissued. Of the last issue (3,000,000 Medjidiés), about 1,500,000 Medjidiés are still deposited in Paris. We may assume, therefore, that these two sums are still in reserve—say, 3,500,000 Medjidiés of nominal capital, worth, perhaps, 30 per cent. on the market, or 1,050,000 Medjidiés (935,000*l.*) if sold. There is also a balance of the 1865 loan unissued, amounting to 1,616,680*l* nominal capital, or worth, at the market price of 46, 745,000*l.* These three sums together, or 1,700,000*l.*, *form the available extraordinary resources* of the Turkish exchequer, but are of little practical value, as they could not be brought on the market at the present moment.

61. *The amount of the floating debt* is an unknown quantity, which, in dealing with the subject of Ottoman finance, must baffle all attempts at accuracy. The official estimate of the charge for 1864-5 gives—

	£
For the interest on "Sehims," "Monkatas," and "Timars" (various local annuities).. ..	470,513
For accounts current with bankers	158,562
Total charge of floating debt ..	629,075
This, if added to the charge of the funded debt..	4,807,342
Would give an annual total charge of.. ..	5,436,417

62. Some items of the floating debt have been paid off; but new debts have been created, and *several Galata loans have been contracted during the year* now drawing to a close (1866-7). Among others may be cited two large ones, amounting to 1,050,000*l.*, contracted chiefly for the payment of the coupons on various funded debts. Since this has been found necessary, in spite of the vigorous measures taken to collect the taxes, and in addition to the large premature issue of Dette Générale, reserved by law for May 1867 and for public works alone, it may be fairly concluded that the Treasury is in considerable straits, and

that the estimates of the Budget Commission were not very far from the truth.

63. *As an illustration of the terms on which these Galata loans are contracted*, I may briefly state those of the last one, contracted with Messrs. Tubini, Larando, Misilli-Oghlon and other bankers in December last, for the payment of the January coupon of the Dette Générale. The sum advanced was 500,000 Medjidiés, to be repaid within five months, with interest at the rate 1 per cent. per month, and a commission of $2\frac{3}{4}$ per cent. on the amount borrowed. Moreover, facilities were accorded to the lenders to pay portion of their advance in coupons of the General Debt at par, which they had bought up at 2, 3, and 4 per cent. discount before the fact had become certain that the coupon would be paid on maturity. The lenders were also allowed to effect their payment partly in bills on London at the exchange of $110\frac{3}{4}$ piastres, while the real rate was $109\frac{1}{2}$. On the whole, it is calculated that the lenders receive interest at the rate of 25 per cent. per annum. They receive as security 1,500,000 Medjidiés in bonds of the General Debt.

64. *The sum of* 14,000,000*l.* *may be fairly taken as the maximum figure of the national ordinary revenue*, and 5,436,000*l.* as the charge of the two categories of debt. There remains, therefore, a balance of 8,564,000*l.* available for all the purposes of Government. Now, of this sum, about 5,393,000*l.* are required for Government expenditure in the provinces, being collected and distributed on the spot, and not coming to the capital at all. This would leave a balance of 3,171,000*l.* available for all the central expenditure payable at the seat of Government. Of the whole revenue, those branches appropriated for the payment of the public debt are precisely those which are most certain to come into the Exchequer. Of the indirect taxes allotted, about 95 per cent. is collected within the year; of the "Rassoumis," above 80 per cent.; of the tithes, 68 per cent.; of the dues collected in the capital, 67 per cent.; and of the sheep tax, 89 per cent. The above sum of 3,171,000*l.*, which appears to remain for all the central establishments of the Government, is manifestly inadequate for the purpose, and, moreover, cannot all be made available, as the corresponding revenues are never collected in full within the year.

65. A sum of 9,392,000*l.* is demanded for the ordinary expenditure of the Government in the last-published budget (that of 1864-5), and there is no safe evidence of any reduction having been accomplished since that period. Adding to this sum the present charge for the debt, or 5,436,000*l.*, (sec. 61,) the sum required annually for the present ordinary expenditure of the State would be 14,828,000*l.*; the ordinary revenue is certainly not above 14,040,000*l.*; this would leave *an annual ordinary deficit of* 828,000*l.*, entirely irrespective of all extraordinary demands on the Treasury, which invariably arise every year, but which cannot be calculated in advance. This situation is radically unsound, and cannot but become aggravated every year. It is obvious that, if the debt is punctually paid, the other services will be financially starved, or, *vice versâ,* that the security of the debt will be compromised; for hunger is proverbially an evil counsellor.

66. As the easiest alternative, the Government will probably endeavour to stave off a crisis by the *old system of summer loans and winter loans.* It is especially to be apprehended that the pay of the civil and military servants will be suffered to fall more and more into arrear. The pay of both these classes is now at least seven months in arrear, and was so still more heavily. At the beginning of Ramazan (7th January) they all received some instalment of their pay, to help them through the extraordinary expenditure of that sacred month. The lower class of functionaries and officers—ill paid at the best—cannot be either zealous or honest when under the pressure of absolute want. The men are well supplied with necessaries, but under a system so improvident and irregular that their discipline must certainly suffer. This is the more to be regretted, as they are perfectly amenable to discipline, and, if well trained and commanded, show the highest military qualities.

67. It must be acknowledged that the successive Administrations have exerted themselves to the utmost to keep faith with their foreign creditors, in honourable contrast with several Christian Governments. *The country, however, is beginning to stagger under the load* which has been so recklessly heaped upon its shoulders. The "On-seneliks" are still awaiting payment of one coupon; the Aziziés, of another. There was some demur about the payment of the summer coupon on the guaranteed loan of

1855. The third coupon of the General Debt itself could not be paid on maturity, but was deferred from July till October. Until 1866 every foreign engagement had been punctually honoured. In that fatal year the Ottoman Treasury, like so many great mercantile houses, was obliged to "shut its doors."

68. The new year opens under gloomy auspices for this distracted Empire. To the above numerous sources of anxiety is to be added another totally new one, unprovided for in any of the estimates. A *civil war* is draining the best resources of the State, like a dangerous hemorrhage, and must leave a sad legacy of debt and disorder. Crete, the Greek Border, Montenegro, Servia, and Syria are so many intermittent sores which are gradually sapping the strength of this Empire.

69. Next to the maintenance of peace, the first *condition of solvency* for the Turkish Treasury is *a total abstinence from all future loans.* The experience of the past shows us that these operations never produce any results at all commensurate with the sacrifices which they entail. Every future conversion or manipulation of the debt must be strictly avoided, and the pure and simple fulfilment of existing engagements be adhered to. To make both ends meet by means of the normal resources should be the whole aim of Turkish statesmen. This will certainly tax their energies to the utmost, but may yet, with the co-operation of the Sovereign, be accomplished. We must hear nothing more of the "National Credit of Turkey." The nation already rues the day when it discovered itself to be possessed of so dangerous a gift. 40,000,000*l.* have thus melted away in some thirteen years, leaving behind them one sole and stern reality—a mountain of debt, nearly double the amount really borrowed. The "national credit" is not in a state to bear any further experiments, and may well be allowed henceforward to rest in peace.

70. The following *passage from a recent work of Mr. Farley,* is applicable to the financial system of this people down to the present day:—

"The domestic institutions of the Osmanlis, and their characteristic carelessness of the future, so long as the necessities of the moment are met, account in a large manner for the disorganized state of their finances. Expenditure without limit is, if anything, worse than uncertainty

of income; but when the two are combined, in the case of a people deficient in method, and fatalistic in mind, the difficulties of the situation are indefinitely increased. To remodel the fiscal system, so as to insure a sufficiency of revenue, would be a work of time, and involve an amount of labour which few men would care to undertake; whereas the issue of a few bonds is an operation which commends itself for its simplicity and facility of execution."

71. The great problem of the day is *to find a means of preventing frauds on the revenue.* This is a first essential reform. Without it all others are merely chimerical. Formerly confiscation and the bowstring offered rough and ready remedies. These are now abolished, and virtual impunity prevails. The statesman now at the head of affairs, so well known for his strict integrity, might, with time and energy, effect some reform; but honesty and economy are not popular virtues, and here are sure to succumb. One or two years and one or two honest men are not enough to extirpate the abuses and corruption of centuries. Under a Government like this the character of its agents is everything; yet the principles of selection applied are not those best calculated to attain the end which ought to be in view.

72. *The creation of a really efficient permanent and irremoveable Court of Accounts* strikes one as the most useful institution which can be devised. It should consist partly of European officials of high standing, who might be lent for this purpose. It should be bound to scrutinize every item of the revenue and expenditure, both on the compilation of the estimates, and on the liquidation of the accounts of each year. The two former experiments of this nature did not constitute a fair trial, and were never viewed in a serious light by the Governments of the day. The new Court should, like the Belgian "Cours des Comptes," be independent and irresponsible; it should, in addition, be invested with judicial powers on all questions affecting the revenue. It should send Inspectors to the Provinces to hold inquiries on the spot, with the powers of searching all public accounts, of summoning witnesses from all classes, and of trying all offences connected with the revenue, their sentences to be subject to revision by the Central Court. When it is considered that every Eyalet is a little State in itself, which receives and pays

its own revenues, remitting only the surplus to the capital, the necessity of some such check upon fraud and extortion must be apparent. Hence also a great political benefit would accrue, for evidently the main dissolving element of this Power is not the intolerance but the rapacity of its agents.

73. The next duty of the new body should be to watch over the expenditure, so that it be kept within the limits fixed by the estimates. A permanent increase of the revenue is not to be counted on. Industry, commerce, and agriculture, are stationary, and cannot be expected to yield anything more for the present. New experiments in taxation would be fraught with political danger: witness the tax on vakoufs, which, of all others, was that most indicated. In the expenditure, however, there is a large field for retrenchment. The action of Government is in this country reduced to a minimum; its cost, therefore, ought to be proportionately diminished. The higher class of functionaries is certainly overpaid. Crowds of the lower class might be dispensed with altogether. The Civil List, the Navy, the Interior, and Finance Budgets might be pruned down considerably. *It will require a reduction of* 828,000*l. per annum somewhere* (*vide* par. 65) to bring the ordinary income and expenditure to an equilibrium.

74. No doubt the mines, the forests, above all, the arable soil of this country, contain vast taxable materials, which are now lying dormant. As, however, no attempt is being made to develop these resources, it would be erroneous to count upon them as a provision for the future. *The want of roads is here the most palpable evil.* To dwell upon it would be to repeat mere truisms. It is incredible, but true, that there is no carriageable road leading out of or even through this great city. The remedy is not so clear. The Government has frequently endeavoured to make a road or a bridge, and after squandering thousands, generally gives up the attempt. The experience of the past shows that all the power of the State is unequal to the task of completing and maintaining a road. Roads are certainly a necessity, but gold may be bought too dearly.

75. There remains now *no other alternative but to call in foreign capital,* on a large scale. This might be done without cost or even risk to the Treasury, if the Government had the tact to discern the character of applicants

for concessions, and if these concessions were carefully discussed in a Body like that suggested above. The present Grand Council may be said, without disrespect, to want that special aptitude necessary for treating these complicated questions. Several useful projects are now awaiting a decision of the Government—amongst them a railway to Adrianople. This might be realized by means of a guarantee of interest, not chargeable absolutely on the Treasury, but solely on the eventual new value to be imparted to the State forests, hitherto unproductive. To foster such enterprises would seem to be the plain interest of the Government; but a certain jealousy of foreign capital and Frank artifice is now predominant, justified, perhaps, by some recent experience. To this moment it is not competent for a foreigner to hold landed property.

76. The wants of the Cretans, as summed up by themselves in their Memorial of the 15th May, 1866, were defined as being " une organisation politique sous laquelle il y ait des lois et des tribunaux réguliers, des impôts resoins accablants et mieux distribués." These grievances are common to the Cretans, with all the other Provinces. They lead to the question of *another reform*, more essential, more inexpensive, but perhaps more arduous than any other, viz., *that of the law*. I firmly believe that the face of this country might be changed by the mere administration of common justice between man and man, and by a vigorous protection of life and property. This would bring thousands of acres into cultivation, and millions of piastres into the Treasury. The capitulations are here always adduced, but I think erroneously, as an obstacle to reform, This is a question too extensive to be discussed, but too important in its bearings on my subject to be entirely omitted here. It is not my province to suggest a remedy, but only to point out the evil, and to record an opinion that absence of justice is a still more effective bar to improvement than absence of roads.

77. *Peace is of course a sine quâ non* towards effecting a restoration of the finances. Turkey must become insolvent if perpetually harassed from within and without as at present. The maintenance of peace depends entirely on the policy not of this Government, which is certainly not aggressive, but of its neighbours. In order to be enabled to meet its engagements, this Empire must, as a first

condition, be left at peace; it must, moreover, husband its resources to the very utmost; and it must, thirdly, grant to others who are willing to create new resources at their own risk and peril that protection which is the primary object of all civil society. Turkey is certainly sick, but has yet plenty of stamina remaining. Peace, order, and economy combined may enable her to satisfy all her creditors, and to make head against all her internal enemies. A war, or even a prolonged armed peace like the present one, must surely bring on a financial collapse, and thus jeopardize millions of English capital.

I have, &c.

(Signed) H. P. T. BARRON.

REPORTS

BY

HER MAJESTY'S SECRETARIES

OF

EMBASSY AND LEGATION,

ON THE

MANUFACTURES, COMMERCE, &c.,

OF THE

COUNTRIES IN WHICH THEY RESIDE.

Presented to both Houses of Parliament by Command of Her Majesty.
May 1867.

LONDON:
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1867.

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Errata in the April Section of Reports (*No.* 3).

Page 431, line 33, *for* 2·1664 *read* 2·1664*d*.
Page 433, line 11, *for* provisions *read* provinces.
Page 435, line 15, *for* navy *read* heavy.
Page 444, line 23, *for* cheat *read* liberate.

Prussia.

Report by Mr. Wyndham, Second Secretary of Her Majesty's Embassy, on the Finances of Prussia.

Lord A. Loftus to Lord Stanley.

My Lord, *Berlin, January* 12, 1867.

I HAVE the honour to acknowledge the receipt of your Lordship's despatch of the 26th November, 1866, instructing Her Majesty's Secretaries of Embassy and Legation to draw up annually a report on the financial position and the commercial policy of foreign countries, as bearing on their finance.

In the absence of Mr. Lowther, Her Majesty's Secretary of Embassy, I have directed Mr. Wyndham, Senior Second Secretary in Her Majesty's Embassy, to draw up a report on the present financial position of Prussia, which I have now the honour to transmit herewith to your Lordship.

I have, in addition to the very clear and able report of Mr. Wyndham, merely to observe, that the future financial position and capabilities of Prussia cannot be accurately estimated, until the revenues and expenditures of the newly acquired provinces shall be taken into account.

On the return of Mr. Lowther I shall not fail to impart to him the instructions laid down in your Lordship's circular despatch.

I have, &c.

(Signed) AUGUSTUS LOFTUS.

Mr. Wyndham to Lord A. Loftus.

My Lord, *Berlin, January* 12, 1867.

IN compliance with your Lordship's instructions I have the honour to inclose to your Lordship a report which I have drawn up upon the finances of Prussia.

I think it right to state that I have derived the various sums enumerated in the receipts and expenditure for this year from an official publication of the Budget as voted by the Chambers, and of which I have the honour to annex a copy,

In drawing up this report I have endeavoured to make it as much as possible a purely financial statement, and I trust that it will be found to meet the requirements of Lord Stanley's despatch of the 26th of November last.

I have, &c.

(Signed) HUGH WYNDHAM.

Report.

Berlin, January 12, 1867.

For the space of five years no budget submitted by the King's Government to the Representative Chambers has received their assent. Financial affairs have been in an abnormal state. The executive portion of the Government has acted in defiance of the wishes of the Houses of Parliament. They have levied the taxes and administered the public funds in such manner as appeared to them most advantageous for the welfare of the kingdom.

A bill was, however, passed last September sanctioning all State expenditure up to the close of the year 1865, and granting a credit of 60,000,000 thalers to the Government.

A budget has, moreover, during this session, received the sanction of the two Chambers, and financial affairs have once more returned to a constitutional course.

The Minister of Finance, in making his financial statement said, that in the budget there was no request for a loan, that there were no new or higher taxes, and no extraordinary additions in the expenditure for which funds had not been provided; that he reckoned upon a considerable net increase in the revenue, and that account had been taken for the decrease which would ensue on the cessation of the Rhine shipping dues, by the cessation of the extra court of law fees, and by an abatement in the tax on postage.

It must be borne in mind that the budget for 1867 only takes into account the receipts and expenses of the old provinces of the monarchy, and does not embrace the financial administration of the countries annexed to Prussia since the late war.

The following Tables indicate the sources of State

revenue, with the estimated results for the year 1867, and classed under the various Ministers of State:—

I.—Department of the Ministry of Finance.

Receipts.

	Thalers.
1. Crown lands	14,956,270
Of this sum, in accordance with the Law of January 17, 1820, a sum of 2,573,099 thalers is carried to the "Kron fidei Kommissus" Fund	2,573,099
Therefore remains ..	12,383,171
Sale of lands	860,000
2. Direct taxes:—	
Land tax	10,104,300
House tax	3,407,600
Classified income tax . ..	3,694,000
Class tax	9,755,000
Trade tax	4,059,000
Railway dues	1,645,000
Miscellaneous	65,100
Total	32,730,000
3. Indirect taxes:—	
Imports and exports	11,210,000
Transit dues on tobacco in leaf or manufactured	79,000
Tax on beet-root sugar ..	5,350,000
Warehousing ditto	52,000
Shipping dues	—
Tax on brandy and transit dues on ditto	7,480,000
Malt tax and transit dues on beer	1,830,000
Tax on native tobacco ..	102,300
Meal tax	1,570,000
Slaughter tax	1,946,000
Stamp tax	5,530,000
Turnpikes	1,317,000
Bridge, ferry, harbour, river or canal dues	800,000
Mortgage and legal dues ..	220,000
Fines	58,000
Miscellaneous	250,000
Total	37,795,235
4. Salt monopoly	9,300,080
5. State lotteries	1,338,300

	Thalers.	£	s.
6. Naval Commercial Institution ..	600,000		
7. Share in gain of Prussian Bank ..	815,667		
Interest from the floating capital of the State	66,423		
Interest and redemption of the State loan of 1856	621,910		
Total	1,504,000		
8. The Mint	71,933		
9. State printing	198,600		
10. Interest and dividends from shares in State railways .. .	169,300		
Pensions	128,000		
Miscellaneous	156,512		
Extraordinary addition for naval purposes, ...	4,483,100		
Total	4,936,912		
Total receipts in Department of Finance ..	101,718,231	= 15,257,734	13

II.—Department for Trade, Commerce, and Public Works.

1. Postage stamps, official publications, &c.	10,630,000		
Miscellaneous	3,335,700		
Total	13,965,700		
2. Telegraphic administration ..	1,418,090		
3. Porcelain manufactory in Berlin ..	150,000		
4. Miscellaneous receipts for trade, buildings, &c.	207,000		
5. Administration of Mines, Forges, and Salines :—			
Mines, produce of . ..	12,116,297		
Various receipts from mines .	335,984		
Forges, produce of . ..	3,525,710		
Various receipts from forges .	35,226		
Salines, produce of . ..	1,226,013		
Various receipts from salines .	36,121		
Mine dues, taxes, fees, &c. ..	587,803		
Total	17,863,154		
6. State railways and those in which it has a share	19,598,301		
Total Department for Trade	53,202,483	= 7,980,372	6

III.—Ministry of Justice.

	Thalers.	£	s.
1. Legal charges, fines, &c. . .	10,872,900	1,628,935	0
IV.—Ministry of the Interior . .	703,318	105,497	14

V.—Ministry for Agriculture.

1. Miscellaneous . . .	619,062		
2. Establishment for breeding horses .	272,610		
Total . . .	891,672	133,750	16

VI.—Ministry for Religion, Education and Medicine.

1. Evangelical religion . .	3,370		
2. Catholic (Roman) . .	2,349		
3. Public education . .	85,048		
4. Education and religion in common .	14,002		
5. Miscellaneous . . .	2,430		
Total . . .	107,207	16,081	1

VII.—Ministry for War.

1. Miscellaneous receipts . .	1,113,191	166,978	18

VIII.—Ministry for Marine.

1. Receipts from the Yade territory . .	21,047		
2. Miscellaneous . . .	23,157		
Total . . .	44,204	6,630	12

IX.—Ministry for Foreign Affairs.

1. Receipts from Consulates, passports, &c. . . .	13,810	2,071	3
Receipts from the Hohenzollern territory, accounted for in a separate Budget . . .	262,857	39,428	11

The following Tables show the ordinary expenditure as estimated for the year 1867, and detail the principal items thereof.

This expenditure is classed under three heads, marked A, B, and C. Under A is comprised the cost of levying taxes, and the cost of the administration of the financial affairs, &c., of the country in general.

The following are the most important items :—

(A.)

(A.)	Thalers.
1. Expenses of Crown lands	4,675,620
2. Cost of levying direct taxes :—	
Land tax	82,380
House tax	89,040
Classified income tax	49,170
Class tax	390 200
Trade tax	136,500
Administration of public moneys, book-keeping, &c. .	670,710
Total	1,418,000
3. Cost of levying indirect taxes	4,493,235
4. Cost of maintaining salt monopoly	2,760,870
5. Cost of State lotteries	23,850
6. Maintenance of Royal mint	71,933
7. Government printing offices	153,600
Totals administered by Ministry of Finance . ..	13,597,108
(B.)	
1. Postal service	12,354,300
2. Publication of laws, official newspapers, &c.	92,530
3. Telegraph service	1,216,285
4. Royal porcelain manufactory	138,000
5. Administration of mines, forges, and salines	13,640,644
6. Administration of State railways and those private railways in which the State has a share 16,613,460	
Deduct 5,213,628	
Total	11,399,832
The above-mentioned sum of 5,213,628 thalers is deducted for payment of interest upon, and redemption of, debts upon railways, and is accounted for under heading (B).	
Totals administered by Ministry of Commerce .	38,841,591

(B.)

Comprises State debts, &c. :—	
1. To "Crown Fidei Commissus" Fund	500,000
2. Interest upon public debt, including 4,017,021 thalers interest upon railway debts	10,614,471
3. Redemption of public debt, including 1,196,607 thalers on account of redemption of railway debts ..	5,188,898
4. Cost of debt upon which no interest is paid ..	6,000
5. Rents	428,968
6. Extraordinary disbursements	63
7. Maintenance of office, salaries, &c.	82,700
8. Maintenance of House of Lords	40,000
Maintenance of House of Commons	200,000
Total administered by Ministry of Commerce .	17,061,160

(C.)

Details the expenditure of Special Department:—	Thalers.
1. Ministry of State	369,675
2. Ministry for Foreign Affairs	1,068,680
3. Ministry of Finance	8,073,742
4. Ministry of Trade, Commerce, &c.	6,858,238
5. Ministry of Justice	12,185,900
6. Ministry of Interior	5,553,573
7. Ministry for Agriculture	1,783,919
8. Religion and Education	4,599,610
9. Ministry for War	41,574,348
10. Ministry for Marine	1,834,737
Total	83,902,428

Therefore, total under heading—	Thalers.	Thalers.	£	s.
(A.) 1st. 1 to 7	13,597,108			
2nd. 1 to 6	38,841,591			
		52,438,699 =	7,865,804	17
(B.)		17,061,160	2,559,174	0
(C.)		83,902,428	12,585,364	4
Total		153,402,287	23,010,343	1
Add expenses in Hohenzollern territory, which are given in a separate Budget		232,571	34,885	13
Total, ordinary expenses		153,634,858	23,045,228	14

The extraordinary expenses for 1867 passed by the Legislative Chambers, are distributed amongst the various Departments of the State, and amount—

	Thalers.	£	s.
For Prussia, to	15,264,729		
For Hohenzollern territory to	30,286		
Total	15,295,015 =	2,294,251	10

Of the above extraordinary expenses for Prussia a sum of 2,497,131 thalers (374,568*l.* 13*s.*), has been carried to the account of the Ministry for War, and a sum of 6,623,000 thalers (993,450*l.*), to that of the Ministry of Marine.

It is impossible to give any details as to the distribution of either the ordinary or extraordinary sums voted for the army, as the Chambers voted them, *en bloc*, to be apportioned according to the discretion of the Minister for War, thus avoiding a topic which has caused of late years so much dissension between the Government and the representative bodies.

The extraordinary expenses for the navy are as follows; and far exceed the ordinary disbursements:—

	Thalers.
1. For continuing buildings at Yade	1,320,000
2. For fortifications, barracks, &c., at Yade	200,000
3. Building a church at Yade	20,000
4. Various items at Yade	3.000
5. Fitting up vessels of war	200,000
6. Building floating docks	200,000
7. Improvements at Dantzic, Stralsund, and Kiel . ..	60,000
8. For fortified harbour and naval depôt at Kiel	500,000
9. For purchasing, arming, and fitting out two iron-clad frigates, and fitting out of a third	4,120,000
Total	6,623,000

The above Tables produce the following balance sheet:—

	Thalers.	£ s.
1. Receipts as detailed under heads 1–9 and from Hohenzollern territory	168,929,873	
2. Expenditure. Ordinary . ..	153,634,858	
3. „ Extraordinary ..	15,295,015	
Total	168,929,873	= 25,339,480 19

According to a financial statement prepared for the year 1866, the receipts are estimated at 157,237,199 thalers, (24,585,579*l.* 17*s.*), the ordinary expenditure at 146,881,187 thalers (22,032,178*l.* 1*s.*), the extraordinary expenditure at 7,118,813 thalers (1,017,821*l.* 14*s.*), giving a total in expenditure of 154,000,000 thalers, leaving a surplus in receipts of 3,237,199 thalers.

No account has as yet been published of the expenses incurred during the late war. The contributions levied by Prussia upon the different countries who were opposed to her during the recent hostilities are as follows: Austria, 20,000,000 thalers; Saxony, 10,000,000 thalers; Wirtemburg, 8,000,000 guldens; Hesse Darmstadt, 3,000,000 guldens; Bavaria, 30,000,000 guldens; Frankfürt, 6,000,000 guldens; amounting in all to about 55,000,000 thalers (8,250,000*l.*), which according to a statement made by a Government commissary to the Chambers, has been already paid, and has been disposed of in part in the following manner, viz.,—

1st. 27,500,000 placed into the "Staats Schatz," or State Treasury, to reimburse a sum to that amount taken from that fund to defray the expenses of the Danish war in 1864. By means of this "Staats Schatz" the King

and his Ministers are rendered to a certain extent independent of the financial arrangements of the Parliament, it being a fund which lies dormant, and held entirely at the disposal of the Government in the event of any emergency. This system was introduced by Frederick William I. of Prussia.

2nd. 4,500,000 thalers towards the extraordinary expenditure in the naval department.

3rd. 1,500,000 thalers has been voted for distribution amongst Count Bismarck, the Minister for War, and distinguished generals, as a reward for their late services to their country.

The financial state of Prussia is in a very flourishing condition, trade prospers, and though there is a decrease observable in certain articles of commerce caused by the war, an increase has taken place in others.

The flourishing state of the railways is particularly worthy of notice, and will bear very favourable comparison with those of other countries.

(Signed) HUGH WYNDHAM.

Supplemental Report by Mr. Wyndham, Second Secretary to Her Majesty's Embassy, on Finance.

Mr. Wyndham to Lord A. Loftus.

My Lord, *Berlin, January* 31, 1867.

I HAVE the honour to inclose to your Lordship a supplemental Report to that which I handed to you on the 12th instant, upon the finances of the Kingdom of Prussia, and which your Excellency transmitted to Lord Stanley in your despatch of the 12th instant.

This supplement to my Report contains a sketch of the budgets which have been since promulgated for the territories lately annexed to Prussia, viz., for Hanover, Electoral Hesse, Hesse Homberg, Schleswig Holstein, and Nassau.

The budget for the latter only appeared in the "Official Gazette" of yesterday's date, and I regret that, owing to these statements having been published so short a time before the date when reports upon this subject are required by Lord Stanley's circular of the 26th November last, I have not had time to enter fully upon the subject, but have confined myself to giving the balance-sheets of these

several budgets, noting those items which it seemed to me were most worthy of remark.

I beg to annex copies of the official publications of these documents in support of the items which I have enumerated.

I have, &c.
(Signed) HUGH WYNDHAM.

Inclosure.

Report.

Berlin, January 31, 1867.

On the 18th January a Royal Decree, signed by His Majesty the King and countersigned by his respective Ministers, was published, setting forth the budget for the annexed territory which formed the Kingdom of Hanover, for the year 1867, subject to the approval of the two Chambers.

The balance-sheet shows a sum of 22,589,700 thalers (about 3,388,455*l.*).

The Receipts are classed under the following heads.

	Thalers	sgr.	pf
Domains and forests	3,107,200	0	0
Direct and indirect taxes or dues	7,487,000	0	0
Mines in the Upper and Lower Hartz	2,788,690	21	4
Coal mines	323,105	0	0
Salines	53,190	0	0
Limestone quarry at Luneburg	43,565	0	0
Water dues	128,700	0	0
Postage	1,279,850	0	0
Railroads and telegraphs	6,200,000	0	0
Turnpikes	192,000	0	0
Lotteries	138,316	0	0
Fees	61,000	0	0
Interest upon floating capital	673,230	14	7
Receipts from various Central and Branch Departments	108,852	23	9
Miscellaneous	5,000	0	0
Receipts	22,589,700	0	0

The Ordinary and Continuous Expenses are distributed as follows :—

	Thalers	sgr.	pf.
Central Government	217,220	0	0
Provincial Government	24,267	22	8
Military Department	4,233,240	0	0
Justice	1,060,430	0	0
Religion	311,254	2	2
Department of the Interior	6,083,408	10	5
„ Commerce	92,744	0	0
„ Finance	6,270,151	21	4
Public debt	2,698,279	8	8
Pensions	585,704	12	0
Expenses to cease hereafter	102,309	9	3
Extraordinary works and unforeseen expenses	738,691	3	0
Total	22,417,700	0	0

The Extraordinary Expenses to be incurred only once, are :—

For official buildings	20,000	0	0
Prisons	90,000	0	0
Construction of roads	50,000	0	0
Paris exhibition	12,000	0	0
Total	172,000	0	0
Expenditure—			
Ordinary	22,417,700	0	0
Extraordinary	172,000	0	0
	22,589,700	0	0

On the 25th instant Royal Decrees were likewise published, dated the 17th instant, fixing the budgets for the territories lately forming the Electorate of Hesse, the Landgraviate of Hesse Homberg, and for the Duchies of Schleswig and Holstein, and on the 30th instant the budget for the late Duchy of Nassau was also promulgated.

The budget for Electoral Hesse shows a balance-sheet in receipts and expenditure of a sum of 5,749,000 thalers (862,350*l.*).

Under the heading of expenditure the items most worthy of note are an annuity of 300,000 thalers (45,000*l.*) as compensation to the late Elector; of 1,622,060 thalers (286,180*l.*) for military purposes, which exceeds the sum voted for 1866 under the Electoral Government by 409,869 thalers (60,479*l.*).

That for Hesse Homberg shows a balance-sheet of 625,712 florins* (52,142*l.*). The expenditure for military purposes is fixed at 105,490 florins (8,790*l.*), which in 1866 amounted only to 52,177 florins (4,348*l.*).

The balance-sheet for the Duchies of Schleswig and Holstein is stated at 19,178,259 marks† (1,118,731*l.*). The military expenses are fixed at 5,212,350 marks (304,053*l.*).

The expenditure and receipts for the Duchy of Nassau show a balance-sheet of 8,544,030 florins (712,002*l.*). The military expenditure in this duchy is likewise increased; it amounts to 1,794,100 florins (149,508*l.*), being in excess by 927,506 florins (77,292*l.*) of the sum expended in 1866.

The budgets for the current year have now been promulgated for all the territories lately annexed to Prussia, with the exception of that for the town of Frankfort-on-Main, and those for those portions of Grand Ducal Hesse and of Bavaria ceded to Prussia.

(Signed) HUGH WYNDHAM.

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* 12 florins equal to about 1*l.*
† 1 mark equal to about 1*s.* 2*d.*

Grand Duchy of Baden.

Report by Mr. Baillie, Her Majesty's Secretary of Legation, on Finance.

Carlsruhe, January 30, 1867.

	Florins.
The ordinary revenue of the State amounted in 1863 to	18,886,439
And the expenditure to	17,790,612
Leaving a surplus revenue of ..	1,095,827
By which the reserve fund for current working expenses, which amounted at the beginning of the year to	6,865,131
Was increased to	7,967,958

In 1862 the excess of revenue was 875,421 florins, so that the returns of 1863 were more favourable by 220,406 florins.

The extraordinary expenditure in 1862–63 was 2,656,563 florins.

	Florins.
In 1864, the revenue was	18,920,463
,, expenditure was	18,132,693
Surplus revenue	787,770
Raising the reserve fund to..	8,748,728

The smaller surplus revenue in 1864 was, in consequence of an unexpected outlay, required for the mobilisation of the army, which alone cost 321,531 florins. Altogether the additional expenditure in that year not provided for in the budget amounted to 788,322 florins, and the sum of 1,400,000 florins destined for various objects of public utility was reduced to 920,641 florins.

The total extraordinary expenditure voted for the budget, period 1864–65, was 2,839,359 florins.

The receipts of 1864–65 were so favourable that they

not only covered all the expenditure contemplated in the budget, but left a surplus of 1,668,001 florins, which flowed into the reserve fund, raising it to 9,268,959 florins at the end of 1865.

In fact the actual surplus in 1864–65, notwithstanding the unforeseen expenditure was only 34,123 florins less than the amount estimated in the budget for that period.

The estimated surplus revenue for the current period 1866–67 amounts to :—

	Florins.
For 1866	1,068,682
1867	1,069,956
Total	2,138,638

The chief source of revenue are the taxes which yield, taking the average of the last few years, 7,599,584 florins annually. The direct taxes contribute 3,828,776 florins.

Direct Taxes.

1. *Land, House, and Industrial Tax.*

(*a.*) *Land and House Tax.*—According to the general "cadastre" for 1865, the tax-paying capital under this head amounted to 729,960,020 florins. At the rate of 19 kreutzers to 100 florins capital, the revenue is 2,311,540 florins, the estimate of the present budget.

(*b.*) *Industrial Tax.*—The "cadastre" shows the following results :—

	1864.	1865.	Increase.
	Florins.	Florins.	Florins.
Working capital	55,184,205	57,140,405	1,956,200
Capital from personal profits..	142,326,400	146,071,125	3,744,725
Industrial assistants—			
1st class	15,639,750	16,251,350	611,600
2nd class	2,734,500	2,889,400	154,900
Total	215,884,855	222,352,280	6,467,425

The increase here observable is evidently to be attributed to the effects of the introduction of industrial freedom, producing greater activity in trade and industry.

	Florins.
23 kreutzers or 100 florins capital gives ..	852,350
To this must be added the industrial tax on foreigners, the average of which for 1862 and 1863 was ..	15,217
Besides various after payments in consequence of the opening of new branches of industry to the amount of	61,670
Making altogether	929,237

The estimate of the present budget.

(*c.*) *Forest Tax.*—According to the last valuation the forest tax paying capital of the communes and corporations which are subject to this tax amounted to 45,784,070 florins.

Six kreutzers on the 100 florins capital gives 45,784 florins, the estimated return in the present budget.

(*d.*) *River Works Contributions.*—The amount to be paid according to the last "cadastre" for 1865, were as follows :—

	Florins.
1. 108 communes on the Rhine out of a land, house, and industrial tax-paying capital of 107,164,680 kreutzers, at the rate of 4 kreutzers on 100 florins	71,443
2. 152 communes on the tributary rivers, part of a capital of 137,430,155 florins, at the rate of 2 kreutzers to 100 florins	45,810
Total	117,253

The amount estimated for 1866 and 1867.

(*e.*) Contributions for embankments, &c., amount to annually 13,411 florins.

(*f.*) *Wine Merchants Excise.*—The wine trade is free in the Grand Duchy to every citizen, but he must take out a licence, which is drawn up according to the amount of his stock of wine. The duty on the licence is paid in the industrial tax to which the wine merchant is subject.

The revenue from this tax is estimated at 7,656 florins.

(2.) *Tax on Capital.*—The returns were :—

	Florins.
In 1862	227,926
1863	235,384
1864	242,517
Total	705,828
Average	235,276

(3). *Income Tax.*

	Florins.
The tax capital of 25,770 persons in 1865 subject to the tax amounted to	39,433,150
23 kreutzers on 100 florins yielded	151,160
The estimate for 1866 and 1867 is	167,755

To the income tax are subject all persons receiving an income from the court, the State, mediatized princes, or landed proprietors; from service in public institutions, pensions; further from literary or art productions, teaching, medical practice, or legal business.

Indirect Taxes.

Wine Excise.—The tax is 4 kreutzers on every florin of the value of the wine. For cider ¼-kreutzer on the maas, and on all wine in bottles 3 kreutzers on each.

Bottles.—The excise is also charged on imported wine above 30 maas or 25 bottles. The tax is generally levied when the wine is deposited in the cellar, and as often as it passes into other hands, whether the excise has been paid by the previous possessor or not. The wine stores of licensed wine merchants and wine producers are free.

This tax yielded :—

	Florins.
In 1862	496,888
1863	503,903
1864	449,418
Average	483,403

Ohm Money.—This is a tax of 1 kreutzer on the mass of wine. It yielded :—

	Florins.
In 1862	304,769
1863	374,268
1864	368,573
Average	347,536

Beer Excise.

	Beer produced in Country.	Imported from Zoll. States.	Total.
	Florins.	Florins.	Florins.
1862	480,721	37,626	518,348
1863	496,903	49,332	546,236
1864	543,064	48.936	592,001

The average is accordingly 552,195 florins.

The tax is 13 florins on a fuder of beer, according to contents of the brewing vat.

Excise Duty on Spirits.—The receipts were:—

	Tax on Manufacture.	Transit Tax.	Total.
	Florins.	Florins.	Florins.
1862	41,630	32,973	74,602
1863	52,311	39,494	91,805
1864	60,604	37,320	97,924

The average is 88,111 florins, the estimate of the present budget. The tax is $\frac{2}{3}$-kreutzer a month on every maas of the contents of the still.

The duties on succession and transfer of property yielded in 1862, 1863, and 1864, an average annual amount of 1,024,055 florins.

This has, however, been just the period of the introduction of freedom of industry in consequence of which the changes of property were unusually numerous. The estimated revenue for the present budget period is accordingly only 775,420 florins.

Salt Works.

The amount and value of cooking salt produced for consumption in the country during the following years was:—

	Centners.	Florins.
1862	321,592	1,349,261
1863	331,628	1,391,793
1864	343,075	1,440,001

The average 332,098 centners, yielding 1,393,685 florins.

For Industrial Purposes.

	Centners.
1862	2,084
1863	11,380
1864	10,442

The average annual value being 6,522 florins.

Since 1863, however, the prices have been lowered, and a larger consumption is expected.

The receipts for 1866 are estimated at 13,395 florins.

For Exportation.—The average annual receipts for the last three years amount to 51,890 florins, and the exports 38,731 centners.

An exportation of 42,000 centners annually for 1866–67 are expected, and the value 58,194 florins.

Common Salt for Cattle.—The average of the last three years is 19,070 centners, value 48,949 florins.

The consumption of cooking salt in Baden is about 24 lbs. per head of the population, and in North Germany only about 16 lbs.

The causes of this difference are at present the subject of investigation here, and still remain in uncertainty. One cause, however, is allowed to be that the peasants use to a considerable extent the fine salt instead of the ordinary salt, which, though of course much dearer, they can procure in small quantities as they want it without trouble; whereas they have often to send to the salt mines for the coarse salt which is only to be had in large quantities at a time.

The enquiry which has been set on foot in consequence of the proposal of Prussia that salt monopolies should be abolished, and a uniform duty of 2 thalers per centner imposed in their stead on fine salt throughout the Zollverein. The ordinary salt to be free of duty altogether.

Domains. — The national domains capital stock amounted to:—

	Florins.
In 1862	20,973,358
1863	20,984,180
1864	20,996,724

It consequently increased in 1863 by 10,822 florins, and in 1864 by 12,544 florins.

The total area of the domains at the present moment is 52,668 morgen, arable land, vineyards, &c., and 229,255 morgen, forests, altogether 281,923 morgen. It has been considerably increased in the last few years.

The estimated annual revenue from the domains in 1866–67 is 3,478,814 florins.

The production and revenue from timber will appear from the following Table:—

	Timber.	Revenue and Value of Wood.
	Klaften.	Florins.
1862	160,832	2,154,567
1863	164,885	2,207,648
1864	147,356	2,186,694
Average	157,691	2,182,970
Average price per klaften	..	13 fls. 51 krs.

Customs.

The share of the Grand Duchy in the common Customs duties, after deducting the common charges amounted—

	Florins.
In 1862	1,490,539
1863	1,486,166
1864	1,404,828
Average	1,460,511

In consequence, however, of the numerous reductions in the new Customs tariff, it will not be possible to reckon for the future upon the above average.

	Florins.
For the whole Zollverein the removal of import duties is expected to produce a falling off of ..	1,987,154
And of the export duties a falling off of ..	246,596
Then the reduction of duty on various important articles, namely, wine, iron, and iron wares, meat, cheese, silk, half-silk, and woollen goods, is expected to produce a further loss of ..	4,803,100
Altogether	7,036,850

Which on the total receipts of the Zollverein for 1863 of 45,047,200 florins comes to about 15·6 per cent.

According to this proportion the above average return should be reduced by 226,380 florins. As, however, an increased importation of the articles on which the duty has been lowered is to be expected, 200,000 florins only has been deducted.

The budget estimate is placed at 1,260,511 florins.

The Baden share in the nett returns of the beet root sugar tax is estimated for 1866–67 annually at 1,840,371 florins.

Debt.

The actual passive debt in the Amortization "Kasse," after deducting the active, amounted on :—

	Florins.
December 31, 1862	29,219,692
,, 1863	28,611,614
,, 1864	28,160,836

It accordingly decreased :—

	Florins.
In 1863	608,078
1864	450,778

The charges for management, interest, extinction of debt, and advancing the redemption of tithes, voted in the budget—

	Florins.
For 1863	1,300,445
Actually expended	1,183,476
Leaving	116,969
For 1864	1,170,437
Actually expended	1,115,101
Leaving	55,336

To be returned as dotations to the Treasury.

Owing to the prosperous financial condition of the country and good management on the part of the administration, the revenue from interest has not only increased, but also considerably improved in respect to the corresponding charges.

The total active at the end of 1864, was 12,410,880 florins.

	Florins.
The total passive was accordingly	40,571,716
Deducting from this debt to the Domainal capital stock ("Domänen grundstock")	12,000,000
	28,571,716
And the above active amount of	12,410,880
There remains	16,160,836
In this is comprised the current account property of the different State Treasuries, amounting to	11,209,660
If this again be deducted there remains ..	4,951,176

The total of the actual State debt exclusive of railway debt, amounting to only 3 florins 27 kreutzers per head of a population of 1,429,199 persons.

Railway Debt.

	Florins.
The railway debt amounted in 1862 to ..	68,270,507
„ „ 1863 to ..	72,462,306
„ „ 1864 to ..	75,590,136
The cost of the Baden State Railway, the Main-Neckar Railway, together with working material and the erection of the telegraph, in the years 1841 to 1864 inclusive, was	82,808,003
Of which have been paid off since 1843 ..	7,217,867
So that there remains as above ..	75,590,136

In this amount, however, are included the dotations to the railway, consisting of the nett receipts of the post office, railway, and steam navigation administration.

Deducting these which are not in fact debt at all, there remains as actual debt bearing interest on :—

	Florins.
January 1, 1863	64,140,105
„ 1864	67,854,742
„ 1865	70,262,830

The post office, railway, and steam navigation dotations amounted in 1863 to 3,711,260 kreutzers, in 1864 to 4,123,080 kreutzers, and yielded 5·01 per cent. interest in 1863, and 5·22 per cent. in 1864, on the total cost of construction, that is on the debt including the amount paid off the dotations, and 5·77 per cent. in 1863, and 6·08 per cent. in 1864, after deducting those amounts.

The charge for interest on the railway debt amounted in 1863 to 2,511,036 florins, or 3·91 per cent. of 64,140,105 florins; and in 1864 to 2,618,614 florins, or 3·86 per cent. of 67,874,742 florins.

There remained consequently from the above nett receipts of the post office, &c., after payment of interest, disposable for the reduction of debt in 1863, 1·86 per cent., and in 1864, 2·22 per cent.

I must here observe that by a law passed in 1842, the nett receipts of the post office, railway and steam navigation, are employed solely as dotations for the railway debt sinking fund, and consequently do not appear in the budget of the ordinary revenue and expenditure of the State.

Budget of Ways and Means for the two years 1866 and 1867.

Estimated Receipts.

	1866.	1867.
A. *Department of Justice.*	Florins.	Florins.
I. District Justice	124,060	124,060
II. Prisons	194,282	194,282
Total A.	318,342	318,342
B. *Department of Interior.*		
I. District Administration of Police . ..	65,121	65,121
II. Hospital at Pforzheim	129,042	129,042
III. Lunatic Asylum, Illenau	227,838	227,838
IV. Penitentiary	10,673	10,673
Total B.	432,674	432,674
C. *Commerce.*		
I. Agricultural and breed of horses	16,462	16,462
II. River works and roads	27,248	27,248
Total C.	43,710	43,710
D. *Finance.*		
I. Domains Administration	3,478,814	3,478,814
II. Mines and Furnaces Administration ..	140,603	140,603
III. Taxes Administration—		
1. Land, house, and industrial tax, including forest charges, and contributions for river embankments ..	3,425,383	3,425,383
2. Tax on capital	235,276	235,276
3. Income tax	167,755	167,755
4. Wine, excise, and ohm money ..	2,262,524	2,262,524
5. Justice and police dues	1,357,806	1,357,806
6. Forest courts dues	84,469	84,469
7. Various receipts..	66,371	66,371
	7,599,584	7,599,584
IV. Salt Works Administration	1,520,359	1,520,359
V. Customs Administration—		
1. Share of Customs dues and beet-root sugar tax	1,840,371	1,840,371
2. Compensation for drawbacks paid on account of Zollverein	34,961	34,961
3. Contributions of Zollverein to expenses of frontier Customs Administration	612,406	612,406
4. Compensation for costs of beet-root sugar tax	5,270	5,270
5. Direct receipts	367,795	367,795
	2,860,803	2,860,803

	1866.	1867.
	Florins.	Florins.
VI. Mint Administration	557,791	557,791
VII. General Treasury Administration ..	59,628	59,628
Total D.	16,217,582	16,217,582
E. *War Department.*		
Military Administration	82,200	82,200
Total Ordinary Receipts ..	17,094,508	17,094,508

EXPENDITURE.

Charges and Cost of Management.

	1866.	1867.
A. *Justice Department.*	Florins.	Florins.
I. District Justice	10,950	10,950
II. Prisons	130,995	130,995
Total A	141,945	141,945
B. *Interior.*		
I. District Administrator and Police.. ..	1,044	1,044
II. Hospital Pforzheim	62,180	62,180
III. Lunatic Asylum, Illenau	96,104	96,104
IV. Penitentiary..	4,992	4,992
Total B.	164,320	164,320
C. *Commerce.*		
I. Agriculture, &c.	908	908
II. Roads and river works..	1,129	1,129
Total C.	2,037	2,037
D. *Finance.*		
I. Domains	1,604,088	1,604,088
II. Mines and Furnaces	56,608	56,608
III. Taxes Administration..	911,404	911,404
IV. Salt Works „	369,018	369,018
V. Customs „	1,009,199	1,009,199
VI. Mint „	569,140	569,140
VII. General Treasury Administration ..	50,204	50,204
Total D.	4,569,661	4,569,661
F. *War Department.*		
Military Administration	6,800	6,800
Total Charges and Management ..	4,884,763	4,884,763

Expenditure.

Actual Outlay.

	1866.	1867.
I. *Department of State.*	Florins.	Florins.
I. Grand Ducal House	840,204	840,204
II. Houses of Parliament	43,960	43,960
III. Grand Ducal Privy Council	9,030	9,030
IV. „ Department of State	11,560	11,560
V. Contribution to federal charges	13,868	13,868
VI. Various and casual expenses	1,000	1,000
Total I.	919,622	919,622
II. *Foreign Affairs.*		
I. Central Administration	32,400	32,400
II. Missions	76,050	76,050
III. Federal expenses	19,400	19,400
IV. Sundry and casual expenses	8,000	8,000
Total II.	135,850	135,850
III. *Justice.*		
I. Central Administration	36,208	36,208
II. Supreme Court of Justice	46,420	46,533
III. District Courts	317,352	318,377
IV. District Justice and Notaries	1,007,175	1,008,425
V. Prisons	164,510	164,510
VI. Various and casual expenses	7,800	7,800
Total III.	1,579,465	1,581,853
IV. *Interior.*		
I. Central Administration	48,285	48,285
II. Provincial Commissioners	25,800	25,800
III. Administration Court of Justice	28,175	28,175
IV. Court of Administration	53,474	53,474
V. Supreme Medical Board	11,478	11,478
VI. General archives	13,424	13,424
VII. District Administration and Police	724,092	724,092
VIII. General Police	263,087	263,005
IX. Public Worship	126,605	126,605
X. Public Instruction	636,593	644,177
XI. Arts and Sciences	24,985	24,985
XII. Charitable Institutions	98,344	98,344
XIII. Hospital, Pforzheim	109,631	109,631
XIV. Lunatic Asylum, Illenau	155,333	155,333
XV. Penitentiary	17,553	17,553
XVI. Sundry expenses	12,219	12,219
Total IV.	2,349,078	2,356,580

	1866.	1867.
V. *Department of Commerce.*	Florins.	Florins.
I. Central Administration	29,825	29,825
II. Promotion of Industry..	17,400	17,400
III. Preparation of Statistics	10,860	10,860
IV. Promotion of Agriculture	158,112	158,581
V. River works and roads	1,129,080	1,129,080
VI. Various and casual expenses	7,450	7,450
Total V.	1,352,727	1,353,196
VI. *Finance.*		
I. Central Administration	48,795	48,795
II. Court of Accounts	32,375	32,375
III. Building authorities	50,542	50,542
IV. Building expenses	6,917	6,917
V. Charges of debt	1,056,922	1,061,497
VI. Pensions	587,800	581,300
VII. Sundry expenses	7,533	7,533
Total VI.	1,790,884	1,788,959
Charges of Debt.		
Bonds after deducting active interest.. ..	413,869	411,834
Sinking fund	632,203	638,813
Salaries	9,400	9,400
Office expenses	900	900
Sundries	550	550
	1,056,922	1,061,497
VII. *Department of War.*		
A. For Current Service.		
I. Central Administration	58,619	58,619
II. Adjutant-General and Commander-in-chief..	20,634	20,634
III. Army	2,503,551	2,503,551
IV. Military Justice	14,197	14,197
V. Board of Health	4,357	4,357
VI. Recruiting	6,116	6,116
VII. Buildings	30,975	30,975
VIII. Special commands	18,380	18,380
IX. Chief War Treasury	4,481	4,481
X. Arsenal	22,996	22,996
XI. Commissariat	6,621	6,621
XII. Barracks Administration	7,061	7,061
XIII. Hospital „	12,298	12,298
XIV. Military schools	13,058	13,058
XV. Divine service and schools	4,440	4,440
XVI. Compassionate objects	5,600	5,600
XVII. Expenses of transport	17,000	17,000
XVIII. Expenses in Rastatt	27,946	27,946
XIX. Sundry and accidental expenses ..	28,800	28,800
Total A.	2,802,630	2,802,630

	1866.	1867.
B. For Previous Services.	Florins.	Florins.
XX. Invalid corps	12,964	12,964
XXI. Pensions	197,843	188,715
Total B.	210,807	201,679
Total VII.	3,013,437	3,004,309
Total of actual outlay	11,141,063	11,140,369
Charges and cost of management ..	4,884,763	4,884,763
Total ordinary expenditure	16,025,826	16,025,132

Recapitulation.

	1866.	1867.
	Florins.	Florins.
Receipts	17,094,508	17,095,008
Expenditure	16,025,826	16,025,132
Excess of revenue	1,068,682	1,069,956

The Extraordinary Budget voted for the period 1866-67, amounts altogether to 3,469,806 florins distributed as follows :—

	Credits (continued).	Fresh Demands.	Total.
	Florins.	Florins.	Florins.
III. Department of Justice ..	109,649	94,345	264,039
IV. ,, Interior ..	159,378	488,141	647,519
V. ,, Commerce ..	276,233	953,548	1,299,778
VI. ,, Finance ..	108,079	466,177	574,256
VII. ,, War ..	205,359	58,680	264,039
Total	858,968	2,060,888	2,919,586
Extra credit for roads and river works (Interior)	130,220	420,000	550,220
Total extra Budget ..	989,188	2,480,888	3,469,806

SPECIAL STATE REVENUE.

	1866.	1867.
	Florins.	Florins.
I. Post Office	1,785,006	1,785,006
II. Railway	13,696,029	14,790,224
III. Baden share in receipts of Main Neckar Railway and Telegraph	115,147	122,381
IV. Steam navigation on Lake of Constance ..	141,487	141,487
Total	15,747,669	16,839,098

EXPENDITURE.

	1866.	1867.
	Florins.	Florins.
I. Post Office	1,520,543	1,544,099
II. Railway, Ordinary	10,193,703	10,910,730
„ Extraordinary	185,936	185,936
III.	..	..
IV. Steam navigation	131,805	131,805
Total expenses	12,031,987	12,772,570

Sinking Fund.

The sinking fund appended to the national debt consists of two parts, namely, a permanent fund of 500,000 florins, and a fluctuating fund which is increased 5 per cent. annually, and for fresh debts an additional $1\frac{1}{2}$ per cent. of their amount in the first instance.

The amounts for 1866 are:—

	Fls. krs.	Fls. krs.
I. Permanent Sinking Fund		500,000 0
II. Sinking Fund—		
(*a*). Amount in 1865	125,690 13	
(*b*). 5 per cent. increase	6,284 30	
(*c*). For probable further increase of debt of the year 1865 of 45,600 florins, $\frac{1}{2}$ per cent.	228 0	
		132,202 43
Total for 1866		632,202 43

For 1867:—

	Fls. krs.	Fls. krs.
I. Permanent Sinking Fund		500,000 0
II. Sinking Fund—		
(*a*). Amount in 1866	132,203 0	
(*b*). Increase 5 per cent.	6,610 9	
		138,813 9

	Fls.	krs.
(*c*). The debts that may possibly be added in 1866, will be taken into account in Budget for 1868 and 1869.		
Total..	638,813	9

It is, however, not very probable that these amounts will be really expended.

The Budget Commission in their Report on the project for an amended Budget of the amortization "kasse," rendered necessary by the events of the war, states that of all the debt at present existing in that "kasse," the $3\frac{1}{2}$ per cent. "rentes," which amounted on the 1st of January of last year to 2,384,900 florins, is the only debt for the extinction of which any systematic plan is adopted, and that this is done more out of regard for the convenience of the creditors than from any actual necessity, and might, if absolutely necessary, be dispensed with. In fact, this was one of the arguments brought forward by the Commission against imposing the additional taxation upon the people in order to meet the costs of the war which was proposed by the Government, and to which I have alluded further on.

The amount of the above debt of 2,384,900 florins to be extinguished in each of the years 1866 and 1867 will be 100,000 florins in round numbers.

The above Table of the estimates of the ordinary and extraordinary revenue and expenditure was voted by the Chambers, with very slight alterations in the credits opened for the different Departments in the spring of last year on the supposition that peace would be preserved.

When the war became imminent, an additional outlay was required for the purchase of horses, and the payment of troops, for which an extraordinary credit of about 4,884,000 florins was voted in June last year.

The question then arose as to how the means for the unexpected expenditure were to be provided. The surplus revenues of the State, which for many years past, have been considerable, were locked up in railways, and it became it impossible to liquidate the advances made by the State to the railway administration at a moment's notice, except on the most disadvantageous conditions.

The first step taken towards defraying the various

charges entailed by the war was to raise in the country a forced loan. All persons with certain specified exceptions possessing tax paying capital were required to advance to the plate 24 kreutzers on every 100 florins capital against 5 per cent. interest, and repayment after the war.

The amount thus raised was in round numbers 4,200,000 florins.

The immediate necessities of the Government were in this way provided for. Then came the 6,000,000 florins war indemnity to Prussia, further 500,000 florins required by the State for various charges, and besides this, at least, 2,500,000 florins ready money up to the end of 1866 for railway contribution, for all which additional means had to be procured.

In August last the Minister of Finance negotiated a loan with the Discounting Company at Berlin and the bankers Ladenburg at Mannheim for 5,000,000 thalers, bearing 4½ per cent. interest. A similar amount from the same source has just been obtained, making altogether an amount of nominally 10,000,000 thalers.

These additional means are to be applied solely for enabling the railway administration to reimburse to the State for the advances previously made and required for the war indemnity and other charges, amounting altogether to 6,500,000 florins, for buying up the forced loan bonds, and defraying the interests of the same, and for carrying on the railway works voted in the Budget.

In addition to the war expenses, a very considerable diminution of receipts was at first apprehended in consequence of the bad harvest, and the depressed state of trade and industry. So convinced were the Government that a loss would be sustained that they brought in a Bill for increasing the taxation of the country in 1867, and in this way levying an additional amount of 945,000 florins. This proposition of the Government was peremptorily refused by the Chambers. The Budget Commission gave a variety of reasons for their disapproval of what at the time appeared a very reasonable, if not necessary, course to be adopted.

As a matter of fact, however, and chiefly owing to the short duration of the war, the Government apprehensions have not as yet been realised. The Minister of Finance informs me that the receipts for 1866 are most favourable, and there is still less reason why they should not be

favourable in 1867, unless, indeed, Germany should be again engaged in war. A certain loss will, indeed, be sustained by the abolition of the river tolls, amounting to nearly 70,000 florins, as stipulated in the Treaty of Peace with Prussia; but on the whole there is every probability that the receipts will not only cover the ordinary and extraordinary expenditure originally voted in the Budget, but, as has been the case in former years, leave a considerable surplus.

It is, indeed, remarkable that the trade industry and public credit of the country should have suffered so little as appears to be the case during the past eventful year.

This point, however, will become more clear when the commercial accounts of last year are published, which usually takes place in the spring. I shall not fail to report on this subject as soon as the material comes to hand.

The following is an account of the amended Budget of the railway debt sinking fund ("kasse"), showing the amount and nature of the revenue and expenditure of the same for each of the years 1866 and 1867:—

RECEIPTS.

	1866.	1867.
	Florins.	Florins.
1. Balance in Treasury, January 1 ..	324,538	574,632
2. Outstanding claims	105,620	265,333
3. Active interest	102,840	168,300
4. Nett revenue of Post Office	268,963	245,526
5. „ Railway and Steam Navigation Administration	3,236,938	3,825,621
6. Disposable surplus of sinking fund ..	614,248	717,882
7. Rest of 1864 loan	6,802,400	..
8. Fresh loans..	10,000,000	20,600,000
9. Paper money issue	3,500,000	..
Total	24,955,547	26,397,294

EXPENDITURE.

	1866.	1867.
	Florins.	Florins.
1. Balance in Treasury, December 31 ..	574,632	1,000,000
2. Advances to be reimbursed to the State ..	6,265,333	5,233,957
3. Cost of railway construction	14,000,000	11,780,182
4. Passive interest	3,139,943	3,811,318
5. Sinking fund	936,639	1,062,837
6. Expenses of management	9,000	9,000
7. Expenses of new loans	24,000	..
8. „ of preparation of paper money ..	6,000	..
9. Redemption of paper money	..	3,500,000
Total	24.955,547	26.397,294

(Signed) EVAN P. M. BAILLIE.

Portugal.

Report by Mr. Lytton, Her Majesty's Secretary of Legation, on Agriculture and Manufactures.

Mr. Lytton to Sir A. Paget.

Sir, *Lisbon, January* 15, 1867.

The monotony of apology with which I am constrained to preface all those reports which it is my duty to address to you occasionally upon the commercial and industrial condition of this country, is explained (and, I hope, justified) by the monotonous deficiency of official, or other trustworthy, information on such subject.

I am again obliged to record the fact that, since the year 1861, no returns of the annual movement of Portuguese commerce have been published. I may add that there are no statistics of the actual condition of agricultural or manufacturing industry in Portugal.

Such remarks as I may have to make upon the general financial condition of the country, it is, I think, expedient to reserve until after the budget for the present year, has been submitted, with the customary financial statement, by the executive to the legislature.

It is also my wish to submit to you some observations on the subject of the penal code, and general administration of criminal justice in justice if Portugal; a subject which is rendered interesting by the practical abolition of the penalty of death; which, though it still stands, as a dead letter, on the statute book, has not been enforced since the year 1845, and is not likely to be ever again enforced in this country. There are, however, no published statistics shewing the results of this important experiment; a fact greatly to be regretted; and, as I have not yet received from the Minister of Justice the information with which his Excellency has

kindly undertaken to furnish me, in connection with this subject, I must reserve it for subsequent notice.*

In the meanwhile, I propose on the present occasion to record some general information, which I have derived from various non-official sources, respecting the agricultural and manufacturing industries of Portugal.

I. Past and Present Position of the Producing Classes.

How far production and consumption are affected for good or evil by the action of government in Portugal is a question which cannot here be fully discussed. That agriculture has for a long period of time been grievously depressed under the burthen of monopolies and privileges, supposed by a barbarous legislation, no inhabitant of this country is likely to deny. But, on the other hand, few governments have probably done more for the emancipation and improved cultivation of the land than the Constitutional Government of Portugal for the last ten years. And if, in this country, agricultural science is still very rude and imperfect, if both capital and intelligence are still small, if the condition of the rural population is still, on the whole, less enviable than should be that of the cultivators of a soil singularly fertile, if much of that soil is still waste land, it must be remembered, not only that the best legislation cannot in a few years efface all the effects of centuries of bad legislation, but also that legislation itself, for all productive purposes, no less than industry and population, has been inevitably retarded by the sanguinary interruption of civil war; from which, historically speaking, this country has only recently emerged.

The land is here, not only the prime, but must always, I apprehend, be the chief source of national wealth; which Portugal is not fitted by nature to derive any preponderating proportion from manufacturing industry. But the inalienable possession of the greater portion of the soil by nobles and religious corporations, together with the oppressive feudal privileges of such proprietors (which, whilst in force, reduced the labourer to a condition hardly distinguishable from that of absolute slavery) have, for centuries done all that can be done by vicious institutions to counteract the beneficence of nature.

* The average of capital crimes has not increased in Portugal since the abolition of capital punishment.—R. L.

To estimate the importance of the changes achieved by the constitutional regime in Portugal, it is almost enough to enumerate only the principal imposts levied, nominally on land and practically on labour, so late as the year 1834.

There was, in addition to—

The Decima: (tithe) of 10 per cent. on the net revenue of all real property, the Dezimo: a tax of 10 per cent. on all agricultural produce and live stock. This impost was levied by the clergy, the military orders, and certain privileged individuals, on the capital employed in labour and stock, as well as on its profits.

The Maneio: or 10 per cent. paid by the labourer on the net profit of his labour.

The Siza, (or mutation duty): a tithe of the value of all sales and purchases.

The Siza di Cabeçao: or poll tax, paid by the entire population in the proportion necessary to bring the revenue raised from the preceding tax up to a certain amount fixed by Government.

The Terças: or third of the income of certain properties amenable to this tax.

The Anno di Morto: which appears to have been something tantamount to the confiscation of a year's income from properties changing ownership by death or transfer. Other similar forms of taxation, in force up to a comparatively recent period, might also be enumerated; but the above-mentioned taxes suffice to indicate every conceivable vice in taxation; irregularity, inequality, uncertainty, and excessive addition.

Many of these taxes were abolished in 1834; but no permanent financial reform was possible so long as the country continued to be distracted by civil war. Scarcely was one tax abolished or diminished, before it became necessary to create others, and the greater part of these new imposts, devised in haste, and levied under all kinds of difficulty, were made up of additional and differential taxes; the effect of which could only be to diminish consumption and, by contracting the base of the imposts themselves, to greatly restrict their productivity. Indirect taxes, designed for fiscal purposes, were rendered by differential duties absolutely protective, whilst the direct taxation became, from similar causes, intolerably unequal.

But even such a system of taxation was probably less

instrumental to the impoorishment of the country than the number of majorats and properties in mortmain, and the privileges monopolised and abused by the great proprietors forming a governing class.

M. de Figuereido, a gentleman now employed in the financial department, thus describes (in a recent and interesting exposition of the economical condition of this country) the position of the agricultural labourer previous to the establishment of the constitutional regime:—

"The numerous privileges accorded to noble proprietors amounted to forced labour imposed under various pretexts upon the peasants; and the obligation of these latter to furnish their masters, not only with labour, but also with beasts of burden, and other animals for their personal use; the multiplicity of imposts heavily pressing on this part of the population, such, for instance, as sizas, posturas, coimas, decima, maneio, bolo, dezimos, &c., in short, the whole condition of things, contributed so greatly to discourage the agriculturalist, whose profits at the most amounted to next to nothing, that he was scarcely able to cultivate lands of extreme natural fertility, and not at all able to cultivate soils requiring more than the smallest possible outlay. Hence the vast extent of waste lands, which, if cultivated, might prove exceedingly productive. These lands belonged, for the most part, to the Communes, the Crown, Corporations in mortmain, and Majorats; which, being inalienable, remained uncultivated. Moreover, the number of the inhabitants was inadequate in proportion to the extent of the soil. And the result of all this was, not only that the number of lands available for cultivation was totally insufficient, but also that the cultivation in which they were employed was of the worst possible kind." . . . . "The labourer," he adds, "not labouring for himself, was contented to let things take their course, leaving to Providence all care for the harvests which his load was to reap; and well knowing that he could never become the proprietor of the field he tilled." So things went on from bad to worse. The labourer, having no profit from his labour, felt no interest in its result; and the landowner was precluded by his numerous other privileges from the engagement of that which, in this state of things, would have been to him the most profitable one, by enabling him to part with one portion of his land in order to render more productive the remainder. The class which monopolized both the land

and the legislation, looking at the duties of the latter from a purely military point of view, would make no roads lest an enemy should make use of them; so that the agriculturalist, unable to bring his produce even to a neighbouring market, produced no more than was strictly requisite for local consumption. In the year 1855, a measure for the construction and improvement of roads was debated in the House of Peers; on which occasion one of the leading members of that noble house exclaimed, "Roads! what is the use of roads except to facilitate our invasion by our Spanish friends?"

Of Majorats as "an institution necessary for the maintenance of a noblesse in Monarchical States," here is a picture, bearing the Royal signature, and drawn by an official hand, as early as the year 1770:—"The maintenance of Majorats is, on the one hand, a rigorous amortization of property, which is contrary to the honest usage of possession, and the natural right of the proprietor to dispose of his property freely; contrary to justice and the equal distribution of property amongst inheritors; contrary, therefore, to the multiplication of families; contrary to the free movement and circulation of wealth; contrary to the interests of the public service, which depend upon the receipts of our Royal Treasury, because our Treasury is thereby deprived of those contributions which might properly accrue to it from the transfer of property; and finally, contrary to the general welfare of the people by whom the weight of taxation is borne. On the other hand, however, this amortization of property is necessary in Monarchical States for the establishment and conservation of the noblesse; in order that there may be nobles able to serve the King and kingdom with becoming state, both in peace and war."

Yet it was not until the year 1863 that the Majorats were (by the law of May 19) extinguished.

It is probable that Portugal is chiefly thought of in Europe in connection with the Peninsula, which established her independence, and the subsequent civil conflict by which she secured her constitutional chart; but she has, since then, achieved other triumphs not less great because they have been silent. And amongst these must be numbered the emancipation of her soil from the monopolists who impoverished it; financial reforms, the value of which must be estimated, not so much by the

perfection attained, or the abuses removed, as by the difficulties which had to be overcome; and the practical abrogation of the penalty of death.

The present financial administration of the country might, no doubt, be much improved. The actual state of the finances is extremely unsatisfactory. The receipts have been augmented, but not in proportion to the expenditure. The deficit is annually increasing. The Commercial Tariff, which is full of vices, urgently demands reform. The consideration of these facts, however, is beyond the present subject. It will suffice to mention, that the principal direct taxes which have replaced the old imposts are:—

The Predial or Land Tax, the amount of which is annually fixed in advance by the Legislature; the appointment of it to each district being settled by a committee of local and Government authorities, and two of the rate payers of the district, annually nominated by the Municipal Council. There is an additional rate of 2 per cent. on this impost.

The Industrial Contribution: a tax made up partly of fixed taxes on certain industries in proportion to profits; and partly of taxes on other industries or trades, varying according to the importance of the localities in which they are carried on, and the estimated income which they yield. All persons engaged in industry of any kind, and all industrial companies, are subject to this tax; manufacturers being allowed to pay only one-third of their contribution during the two first years of their installation, and the remaining two-thirds in the course of the two succeeding years. The distribution and apportionment of the unfixed taxes which go to make up this impost, which is very complicated, is settled by means similar to those adopted for the land tax. In addition to a—

Stamp duty on bills of exchange, receipts, shares, advertisements, diplomas, &c., there is a—

Registration duty on the transfer of all property, moveable or immoveable, whether in land, funds, shares in public companies, or other investments, either by sale, death, or donation. The amount of this tax is fixed, like that of our inheritance duties, in the inverse ratio to the degree of relationship to each of other of the parties between whom property is exchanged; but, unlike the inheritance duty, it is levied on sales and transfers of all

kinds *inter vivos*, as well as *causa modis*. It is difficult to ascertain the exact effect of this tax. Its natural tendency is, possibly, to lower the price of land, and raise the rate of interest; but there may be counteracting influences which I have no means of estimating. Several of the existing direct taxes have an additional rate, varying on each respectively from 5 to 30 per cent.; the proceeds of which are devoted to the construction and maintenance of roads; and the tax on mines is made up of a fixed duty in proportion to the extent of ground that is worked, and an unfixed tax on the net profits not exceeding 5 per cent. The Government reserves the right of either converting this tax into a fixed annual rent, or remitting it altogether, according as circumstances may seem to warrant. The produce of it is valued at 18,000,000 reis, or 4,000*l.*, a very modest revenue. The land tax, calculated for the year 1866–7 at 1,872,459,904 reis, was fixed by the Chambers at 1,867,571,940 reis, or not quite 41,506*l.* for the civil year 1866. There is as yet no "cadastro" for the valuation of land in Portugal; but this figure must represent very inadequately the actual value of fixed property in this country; for, if we reckon the tax at a tenth part of it, that value will only amount to 18,675,571,940 reis, or about 4,150,127*l.*, which seems incredibly small. M. Figuereido calculates the total incidence of taxation in this country at 19 francs (15*s.* 2½*d.*) per head, the greater part of which he composes thus:—

	Fr.	c.
Direct taxes	3	15
Stamp and registration duties	3	11
Customs	11	59

In 1834, the landed property of the religious corporations (exclusive of nunneries and female orders), was incorporated with the State domain. In 1821, the income of these corporations, in money only, represented a capital of 2,250,888*l.* Their revenues in kind are said to have represented a capital equally large. The nunneries, which were not affected by the law of 1834 were, in 1821, as many as 5,903 in number, with a capital of 1,559,111*l.* In the course of the thirty years which have elapsed since the prohibition of new religious professions, many of the then existing inmates of these nunneries have died, and the number of those yet living is in several convents not more

than three or four. They are all old and infirm. The property of these establishments being, from obvious causes, badly administered, the State has decreed their disamortization by a law which provides for the sale of them in exchange for bonds of the public debt. These bonds are secured to the purchasers for life, with reversion to the State on extinction of their respective communities. The object of this is, not only to relieve the land from very unproductive conditions, and to release this class of proprietors from the hands of wasteful and unscrupulous agents, but also to provide for the gradual reduction of the public debt.

Whatever might elsewhere be urged against the principle of terminable annuities is obviously inapplicable to this expedient, the circumstances of which are quite exceptional. The capital which will thus revert to the State cannot be more unproductively employed than it has been. The sums realized from the sale of properties of this kind, taken out of mortmain by the law of 1861, amounted to 403,786*l.*, as near as can be. And the nominal value of the public securities with which they were purchased, was 839,378*l.* The capital of all the properties thus exchanged for treasury bonds, was calculated at 1,325,391,272 reis, which, at 5 per cent., would yield 66,269,563 reis interest, or about 14,726*l.* The interest of the nominal capital of 839,378*l.* worth of treasury bonds is at 3 per cent., 113,316,000 reis, or about 25,181*l.* The nuns are therefore, if this calculation be correct, the gainers by a net benefit of about 10,455*l.*

At present the two chief *desiderata* for the development of the agricultural wealth of this country are, more roads and more education. Formerly, the public instruction of Portugal was almost entirely in the hands of the convents and other religious establishments. As it always has happened, and always will happen, in every country where the State abdicates in favour of the clergy, its own responsibility and control in the matter of public education, the kind of education provided, has been unintelligent, and all but useless for the purposes of common life.

The state of education in Portugal cannot here be discussed; but it may safely be affirmed, that there is still a wide field for the extension of primary instruction. The State, however, cannot fairly, I think, be now charged

with indifference to this want in 1834, it spent hardly 196,000,000 reis upon public instruction. To-day it spends 684,565,760 reis on that head.

With regard to roads, I venture to think that the Government has begun at the wrong end, by constructing railroads before there is a sufficient number of common roads to feed them. In 1849 there were in all Portugal only 42 kilometres of roadway. In 1865 the amount was 1,976 kilometres; and at present it is 2,195 kilometres of common roads.

The situation of Portuguese railroads was, in 1865, as follows:—

	In Operation.	In Construction.
Eastern line—	Kilometres.	Kilometres.
From Lisbon to the Spanish frontier ..	2,750	—
Northern line—		
Branch from the Eastern line to Oporto.	2,260	—
South and South-eastern—		
From Barreiro (near Lisbon on the left bank of the Tagus) to Beja ..	1,540	—
Branch to Setubal (St. Jubes)	130	—
Branch to Evora	260	—
Evora to Crato	..	1,170
Beja to Guadiana (1st section of the line from Beja to Seville)	..	195
Beja to Faro (Algarve)	..	1,880
Total	6,940	3,245

The land of Portugal belongs at present partly to large landowners; a great part of it to smaller proprietors; and, perhaps, about a tenth part of it to peasant proprietors. Of the land held by the larger and smaller proprietors only about a third part is cultivated by themselves. The leases of farmed lands are nearly all made out for fixed amounts, either in money or produce. It is very seldom that these properties are cultivated in joint account with the tenants. In localities situated near large towns the leases are almost exclusively made out for cash. Throughout the remainder of the kingdom they are nearly all paid in produce, according to the nature of the soil. The capital requisite for the cultivation of his land by the farmer or peasant proprietor is generally raised either from mortgage, or simply by a bond. Most of these loans are

made at a usurious interest. The establishment, however, within the last three years of a Bank of Credit Foncier, and other similar establishments authorized to lend money on mortgage, must tend to introduce a better system.

The wages of an agricultural labourer in Portugal vary considerably. Digging, both in the wine-growing districts and elsewhere, is paid highest, and may be averaged at 200 reis to 240 reis per diem (10½*d.* to 12¾*d.*); dressing and pruning vines at 160 reis (8½*d.*) to 180 reis (9¾*d.*) per diem. These rates, however, vary according to the regularity or irregularity of the seasons. In the Provinces of the Douro and Minho wages are somewhat higher.

The food of an agricultural labourer in this country generally consists of lard, broth, beans, potatoes, and dried fish.

In enterprise, capital, and science, Portuguese agriculture is very backward. Local agricultural exhibitions have been attempted, but are admitted to have been decided failures hitherto. The most important of these exhibitions was that of Lisbon in the year 1864. But, with the exception of those from the districts of Lisbon and Braganza, the contributions to it were utterly insignificant.

The dearth of all statistical information makes it extremely difficult to give any more precise account of the actual condition of the agricultural population of this country. The principal products of Portuguese agriculture remain to be noticed.

II.—Agricultural Products.

Of these the most important is—

Wine.

1. *Mode of Cultivation.*—In Portugal the vine is cultivated in four ways—

1st. The old Roman system, still common in Tuscany, of trailing it round oaks or poplars. This plan is adopted in the Provinces of Estramaduras and Beira Baixa, where it is called "de enfoscado," and in parts of Minho, where it is called "uveiras."

2nd. By planting it in terraces, where it is not allowed to overgrow a height of 3 feet 6 inches. This is the way

it is cultivated in the Alto-Douro, where it is bound to stakes, as in Germany.

3rd. In the Province of Beira it is planted in bushes, with a space of about 8 feet between each, the intervening soil being ploughed for corn, &c. The wine thus grown are said to have an earthy disagreeable flavour, from the lower bunches trailing on the ground.

4th. "De remada," in trellises, sometimes over the whole of a village street, as in Traz os Montes.

The wines of the Alto Douro are the best. There the soil is turned thrice a year. The first turning ("escava") is in autumn, the earth being then removed round the root in order to let the rain stand. The second ("cava") takes places in April, when the root is again covered to protect it from the sun. The third time ("redra") is when the grape begins to colour. Weeds are then spread over the surface of the soil as a further protection from the heat. The vintage begins about the end of September, and is generally over by the 20th of October.

2. *Mode of Manufacture.*—The grapes (gathered by women and children) are carried in baskets (twenty-one baskets generally yield a pipe) to the "lagar" or wine press, into which they are thrown without other separation than of the white from the black. The first liquor drawn from the crushing of the grapes by each other makes a rare white wine of very superior quality, hardly known out of the country. The press is then trodden by gangs of men (Gallegos generally) for thirty-six hours; after which the must is left to ferment. If the must is green, it takes thirty-six hours, if sweet and sugary, four days, to ferment. The drawing off of the wine is a delicate operation, as the husks and stalks, if left too long on the surface, mix with the liquor, and spoil it.

All port wine hitherto exported for the English market is largely mixed with brandy, and is composed almost quite as much of elderberries as of grapes. The way in which what in England is called port-wine has hitherto been manufactured for the London market is this.—The Paiz de Vinhateiro abounds in elder-trees: the berries of these trees are dried in the sun, or in kilns. The wine is then thrown on them, and the berries are trodden (as, previously, the grapes) till it is thoroughly saturated with the colouring matter of the berries. Brandy is then added in the proportion of from 3 to 16 gallons to every pipe of

115 gallons. This is the composition of all the port-wine hitherto drunk in England. No pure wine, no wine not thus specially adulterated for the English taste, was allowed by the Government Committee of Tasters to pass the bar of the Douro for export to England before the year 1865. This system, by the law of that year, was abolished. The trade is now perfectly free, and there is, therefore, no reason why pure wines should not now be exported to England.

The natural strength of pure port-wines, however, has been proved by the experiments of Mr. Forrester, which deserve to be noticed here. Some wine was made by him from the vintage of 1834 (a remarkably fine year) in the Alto Douro (the best wine district), on the French plan, without the admixture of one drop of brandy. It was bottled the moment that fermentation was complete. On arrival in England it was found to contain already 27·2 degrees of alcohol. This quantity of alcohol had been naturally generated, therefore.

Mr. Harris, from whom the samples were obtained, says of this wine:—"It was valued in London at about 8*l.* or 9*l.* per pipe, being considered excessively harsh, and inferior to the low wines of France. The cost to the maker could not be less than 25*l.* to 30*l.* per pine; so that in a commercial point of view the facture could not have been more disastrous." (See Mr. C. Bernard's Report: Parliamentary Papers of April 29, 1862.)

3. *Quantity Produced.*—The quantity of Port wines produced in the years—

	Litres.*
1863	4,942,306
1864	4,668,776
1865	7,146,446

* 1 litre equal to 0·2200967 gallon.

4. *Quantities exported* were in the year 1861—

	Decalitres.*	Reis.
Belgium	101,500	458,000
Brazil	18,808,426	328,930,900
Bremen	2,358,076	7,180,000
Denmark	5,610,749	18,343,000
United States of America	3,056,280	7,275,000
France..	1,166,008	6,955,400
Great Britain	1,654,845,807	3,769,780,300
Hamburgh	10,817,347	36,332,000
Spain	190,135	811,000
Holland	3,790,244	14,170,000
Italy	61,560	418,000
Portuguese Possessions in Africa ..	2,177,518	8,902,800
Portuguese Possessions in Asia ..	140,800	759,000
Prussia	593,388	2,300,000
Russia..	9,440,158	31,095,000
Sweden and Norway	14,690,312	47,002,400
Uruguay	35,324	250,000
For ship's consumption	195,400	1,074,800
	1,798,079,032	4,282,032,600

The total value of the whole quantity of port wine exported in that year was 951,562*l.* 16*s.*; and the value of the quantity consumed by England was 837,728*l.* 19*s.*

Silk.—Silkworms have long been raised in Portugal; but it is only lately that this kind of industry has assumed any sort of importance, nor is it at present of much value. In 1864 His Majesty Dom Louis, exhibited cocoons of the *bombix cynthia*, a kind less delicate than the *bombix mori*, but also less expensive. The export of cocoons from Portugal amounted in 1861 to 18,638 kilograms, of which 7,834 were exported to France, 9,664 to Spain, and 1,140 to Italy.

Rice.—The cultivation of rice was introduced into Portugal towards the middle of the last century, but the general repugnance with which it was regarded from a belief in the unhealthy character of its effects has retarded the development of it, and such importance as it at present possesses amongst the items of agricultural produce in this country is the result of extravagant protective duties. The disproportion between the production and consumption of this item is still considerable.

* 1 decalitre equal to 2·2009667 gallons.

The statistics collected by a Government Commission of Inquiry show that in 1853 the relative amounts were—

	Kilogrammes.
Production	5,455,149
Importation	4,128,148
Total	9,583,297

And in 1854—

	Kilogrammes.
Production	5,804,946
Importation	3,212,303
Total	9,017,249

The produce of rice cultivated in the kingdom was, from 1853 to 1862, as follows :—

	Hectolitres.		Hectolitres.
1853 ..	137,518·86	1858 ..	111.969·69
1854 ..	145,850·84	1859 ..	133,007·82
1855 ..	101,990·50	1860 ..	109,183·10
1856 ..	142,358·26	1861 ..	145,638·95
1857 ..	147,818·74	1862 ..	171,098·29

Oil.—An important product of Portuguese agriculture and one of the most progressive. The amounts produced in each of the above-mentioned years were—

	Hectolitres.		Hectolitres.
1853 ..	102,131·26	1858 ..	217,215 08
1854 ..	122,916·90	1859 ..	146,677·57
1855 ..	583,669·95	1860 ..	178.592·28
1856 ..	343,820·17	1861 ..	152,682·67
1857 ..	229,873·09	1862 ..	359,950·35

A hectolitre contains about 22 gallons. The quality of Portuguese olive oil is coarse, and might be improved by more careful fabrication.

Wool.

	Kilogrammes.
Production in 1853	5,463,430
„ 1854	3,790,623
„ 1855	4,664,665
„ 1856	4,695,930
„ 1857	4,162,077

I am unable to obtain any statistics of the general production later than the last-mentioned year, but the following local returns from eleven districts of the kingdom indicate a general increase.

		Kilogrammes.
1860	Faro	43,924
1861	Braga	37,597
1861	Coimbra	138,042
1861	Vianna	38,354
1862	Beja	430,698
1862	Vizen	330,701
1863	Guarda	794,867
1863	Leira	42,621
1864	Postalegne	455,000
1864	Ponte Delgada	6,842
1864	Sautarem	116,092
		2,434,738

The insufficiency of the foregoing statement is obvious. I regret that I cannot make it more complete. Most of the wool exported from Portugal goes to England.

Honey, wax, and oranges are among the principal products of Portuguese agriculture.

I subjoin comparative Tables of production in each of these branches of Portuguese industry from 1853 to 1862.

Honey and Wax.

Years.	Honey.	Wax.	Years.	Honey.	Wax.
	Kilos.	Kilos.		Kilos.	Kilos.
1853	1,164,367	347,357	1858	459,769	398,540
1854	650,481	343,531	1859	255,077	321,676
1855	536,871	412,123	1860	428,400	416,771
1856	479,097	314,142	1861	321,932	237,098
1857	1,024,932	338,701	1862	438,338	233,851

Oranges and Lemons.

Years.	Oranges.	Lemons.	Years.	Oranges.	Lemons.
	Thousands.	Thousands.		Thousands.	Thousands.
1853	589,808	35,454	1858	1,146,011	18,524
1854	312,560	12,814	1859	835,780	22,878
1855	376,791	9,772	1860	435,475	16,536
1856	299,119	8,076	1861	451,993	27,323
1857	1,296,943	38,413	1862	513,419	24,261

Salt.

Salt.—The production of salt was during the same period—

Years.	Hectolitres.	Years.	Hectolitres.
1853 ..	1,966,192·26	1858 ..	2,589,847·91
1854 ..	2,288,703·87	1859 ..	1,910,281·68
1855 ..	1,252,303·34	1860 ..	2,495,504·13
1856 ..	857,179·68	1861 ..	2,463,565·42
1857 ..	1,648,488·24	1862 ..	3,220,433·19

Cereals.

Production during the same period.

Years.	Corn.	Maize.	Rye.	Barley.	Oats.
	Hectolitres.	Hectolitres.	Hectolitres.	Hectolitres.	Hectolitres.
1853	2,211,448·25	5,510,132·47	1,535,351·68	721,767·22	194,678·62
1854	2,765,642·21	4,221,071·83	1,627,668·37	720,791·73	185,183·38
1855	2,330,135·18	3,874,215·98	2,102,981·32	629,307·81	178,096·99
1856	981,994·14	5,791,910·35	989,928·01	231,893·51	33,129·81
1857	2,643,273·38	6,184,453·32	2,013,683·24	685,220·81	171,024·49
1858	1,722,015·33	4,615,376·27	1,729,535·46	528,817·18	151,462·35
1859	1,782,201·78	6,305,072·77	1,471,497·69	617,076·37	137,407·15
1860	2,162,422·75	6,062,423·33	1,629,222·26	685,908·85	195,443·26
1861	2,112,563·66	6,112,005·58	1,585,411·93	512,150·77	165,042·27
1862	1,627,728·63	5,099,420·29	1,493.879·18	461,101·38	132,706 67

Vegetables.

Years.	French Beans.	Beans.	Hard Peas.	Vetches.	Lentils.	Green Peas.	Lupins.
	Hectolitres.	Hectolitres.	Hectolitres.	Hectolitres.	Hectolitres.	Hectolitres	Hectolitres.
1853	265,510·93	94,517·51	35,148·09	7,639·42	77·08	482·48	3,796·82
1854	265,182·27	124,641·19	70,246·01	42,575·47	1,364·65	9,212·53	87,720·27
1855	224,808·00	121,853·78	49,342·49	36,314·20	3,190·18	11,210·84	102,119·64
1856	309,003·64	57,524·47	20,359·40	19,556·97	2,940·62	1,163·27	76,400·31
1857	269,702·09	105,304·41	39,287·24	32,176·04	4,486·25	8,873·22	101,832·54
1858	170,714·23	93,027·74	23,874·57	19,465 90	2,339·75	6,419·42	103,256·87
1859	239,854·87	78,080·15	28,888·10	31,335·91	2,222·14	6,111·31	84,424·87
1860	245,735·53	94,609·42	33,076·23	30,652·59	1,841·66	7,591·42	99,513·06
1861	290,848·46	100,766·28	39,935·54	34,069·73	1,171·74	8,892·42	101,269·50
1862	269,128·22	91,922·01	28,820·23	28,215·77	1,287·81	8,052·60	96,096·55

Out of 2,950 square leagues representing the whole area of land in Portugal it is estimated that there are about 235 leagues of land actually in arable cultivation. The extent of waste land of the very first quality in strength of soil and fertility is immense. Soils are now lying waste which are said to be capable of yielding in triennial rotation, with green crops, as much as 1,100 gallons of the finest wheat to the hectare (2·47 acres). In the Province of Alemtejo, where the land is ploughed only every fifth year, not so much as one-fifteenth part of the soil is tilled. The land tax, to which I have already made passing allusion, is assessed with such great inequality, and collected so clumsily, that my strong impression is that the revenue from this tax might be doubled without increasing the tax

itself, by a mere reform in the method and practice of collection. The tax collector does not call on the rate-payer, but the rate-payer is expected to call on the tax collector. Properties which have increased in value are often greatly under-rated upon obsolete estimates and *vice versâ*. Favouritism is, fairly or unfairly, much complained of. Negligence is not denied, and arrears of unpaid taxes are sometimes allowed to accumulate as long as fifteen years and over. Many such accumulations can no longer be accumulated without ruining the taxpayer. They become bad debts to the State. I have already noticed the want of a "cadastre" or proper valuation for the basis of this tax. The backward state of agriculture, and general cheapness of land in Portugal, would appear to offer a favourable occasion for investment to capital and enterprize, especially considering the marvellous fertility of the soil, and the absence of competition. But hitherto capital and enterprize do not appear to be attracted to investments of this kind.

Cork was exported in 1861 to the value of 450,983,800 reis (about 100,218*l.*), representing produce exported to the amount of 8,264,582,253 kilogrammes.

Live Animals.—In the same year 70,960 head were exported to the value of 644,437,900 reis (about 143,208*l.*)

Minerals.—The number of mines as yet discovered is 257, of which only 57 are actually in operation.

I subjoin a list of these latter with the districts in which they are situated.

Districts.	Mines.	Minerals.
Braganza ..	Telgueira	Pewter.
„ ..	Cadeço	Ditto.
„ ..	Cabeço de Rapozo	Ditto.
Porto ..	Eveodosa	Coal.
„ ..	Monte Alto	Antimony.
„ ..	Senadella	Lead.
„ ..	Rebeira de Igneja	Antimony.
„ ..	Rodas do Marão	Pewter.
„ ..	S. Pedra da Corvo	Coal.
Aveiro ..	Carvalhal	Lead.
„ ..	Moinho do Pena	Ditto.
„ ..	Telhadella	Ditto.
„ ..	Palhal	Copper.
„ ..	Pijão	Coal.
Vizen ..	Varzea de Trovaes	Lead.
Aveiro ..	Braçal	Ditto.
„ ..	Covel de Mo..	Copper.
Coimbra ..	Buareos	Coal.
Vizen ..	Postel dos Corvos	Ditto.
„ ..	Adorigo	Ditto.
Leiria ..	Chão Preto	Coal and iron.
„ ..	Amal	Iron.
„ ..	Marrazes	Lignite.
„ ..	Speta	Coal and iron.
„ ..	Barreira	Ditto.
„ ..	Peste	Lignite.
„ ..	Carvalho das Meuteiras ..	Coal and iron.
„ ..	Fontainhas do Serro Ventoso ..	Iron.
„ ..	Aliqueidad da Serra	Ditto.
„ ..	Posto do Moz	Coal and iron.
Lisbon ..	Serra da Caveira	Copper.
Beja ..	Torrinha	Ditto.
„ ..	Penedos	Ditto.
„ ..	Ferragudo	Magnesia.
„ ..	Seno Alto	Ditto.
„ ..	Seno da Boa Vista	Ditto.
„ ..	Abelteira	Ditto.
„ ..	S. Domingos..	Copper.
„ ..	Sena dos Caldeireiros	Magnesia.
„ ..	Sena dos Coelhos	Ditto.
„ ..	Fonte Guerra	Ditto.
„ ..	Barrancos de Moura	Ditto.
„ ..	Pego Redondo	Ditto.
„ ..	Escudeiros	Ditto.
„ ..	Corujinhas	Ditto.
Evora ..	Alcala	Copper.
„ ..	Alcalaim	Ditto.
„ ..	Machardeira..	Ditto.
„ ..	Outeiro dos Algarves	Ditto.
Faro ..	Costes Pereira	Ditto.
„ ..	Atalaya	Ditto.

The most important of the Portuguese mines are the lead mines of Bracal, and more especially the copper mines of San Domingo, which latter exports 123,000 tons annually.

III.—Manufactures.

At present I have not much to say under this head. Portuguese manufactures labour under the following disadvantages:—1. Want of raw materials; 2. Want of capital; 3. Want of intelligence. The Portuguese manufacturer is no inventor, but he is not a bad imitator.

Portuguese Woollens—Are of a coarse kind, but there is a large demand for them amongst the lower classes in the country. This manufacture would doubtless benefit by a reduction of duty on its raw material and on chemicals.

Linen Tissues.—Are decidedly good in quality, but not very active. This manufacture would be benefited, as well as improved by foreign competition.

Silk Tissues—Are generally good. The manufacture of the commoner kinds appears to be making progress.

Glass and Porcelain.—For the most part of a common kind. Portugal formerly manufactured porcelain of a very superior quality, but the old manufacture may be said to be extinct. The factories of Vecha Alegre and Sacavem now produce very fair imitations of English pottery.

Printing and Type-founding—Are decidedly making progress.

Paper—Now highly protected, would probably be improved by foreign competition. M. de Figueiredo, from whom I have already quoted, and to whose work I am indebted for many of the figures given in this report, is of opinion that the Portuguese Government would do well to follow the example of France and diminish the duty on English paper in order to improve the quality of Portuguese paper. The value of raw materials imported by Portugal in 1861 was 1,179,364*l.* 17*s.*, and the value of manufactures of various kinds exported during the same year was 318,114*l.* 3*s.* 6*d.*

I have, &c.

(Signed) RT. LYTTON.

Switzerland.

Report by Mr. Rumbold, Her Majesty's Secretary of Legation, on Finance.

Mr. Rumbold to Rear-Admiral Harris.

Sir, *Berne, February* 1, 1867.

With every wish to obey to the letter the instructions contained in Lord Stanley's circular commercial despatch of November 26, 1866, on the subject of Secretaries' financial reports, I have found it impossible to do so. His Lordship expresses a desire that such reports should "be prepared and forwarded as shortly as may be practicable after the close of each year;" they "must not be delayed, on the plea that the financial details are not published, till a later period," and his Lordship "considers that in all cases it may be forwarded within a month after the close of the year." I humbly beg to submit that, as regards this country, the task assigned to the Secretary of Legation is impossible of accomplishment within the period prescribed, for the following reason: The "Balance-sheet of Income and Expenditure," or "Compte d'Etat," for each year is not drawn out by the Federal Financial Department till the last day in February; it is not printed till March at the earliest, and is not accessible to the public before April, after having been laid before and approved of by the Committee appointed for the revision of public accounts. The Federal Councillor charged with the Financial Department himself informed me of his inability to furnish me with the details I required. I have, therefore, been reduced to taking the figures of the Budget for 1866, as passed by the Federal Assembly.

Budget for 1866.

Receipts.

	Francs.	Francs.
I. Proceeds of real property and invested capital—		
(A.) Real property	65,265	
(B.) Capital	96,000	
		161,265
II. Interest of capital employed		107,268
III. Monopolies and administration—		
(A.) Gross proceeds of administration of Customs	8,000,000	
(B.) Ditto, ditto, Post Office	8,607,500	
(C.) Ditto, ditto, telegraphs	745,000	
(D.) Ditto, ditto, gunpowder .. .	944,000	
(E.) Ditto, ditto, percussion caps ..	49,971	
(F.) Ditto, ditto, Mint	30,000	
(G.) Ditto, telegraph workshop.. ..	—	
(H.) Ditto, Polytechnic School.. ..	41,500	
(I.) Ditto, Government horses.. ..	91,250	
(K.) Ditto, Government workshops at Thun	140,000	
(L.) Ditto, laboratory at Thun.. ..	195,000	
		18,844,221
IV. Various receipts and Fees—		
(A.) Chancellerie receipts	5,500	
(B.) Receipts of military administration ..	55,000	
(C.) Receipts of administration of justice ..	1,500	
		62,000
V. Unforeseen receipts		246
Total of Receipts counted upon		19,175,000

Expenditure.

	Francs.	Francs.
I. Interest of capital		170,900
II. General Administration—		
(A.) National Council	90,000	
(B.) Council of States	7,200	
(C.) Federal Council	61,000	
(D.) Federal Tribunal	10,000	
(E.) Federal Chancellerie	154,250	
(F.) Pensions	25,500	
		347,950
III. Departments—		
(A.) Political Department	166,800	
(B.) Home ditto	892,850	
(C.) Military ditto	19,600	
(D.) Finance ditto	49,600	
(E.) Commerce and Customs ditto ..	14,000	
(F.) Justice and Police ditto	24,300	
		1,167,150
IV. Special Administrations—		
(A.) Military Administration	3,280,000	
(B.) Customs ditto	3,501,000	
(C.) Post Office ditto	8,607,500	

	Francs.	Francs.
IV. Special Administrations (*continued*)—		
(D.) Telegraph Administrations ..	695,000	
(E.) Gunpowder ditto	845,000	
(F.) Percussion caps ditto	47,708	
(G.) Mint ditto	30,000	
(H.) Telegraph workshop	—	
(I.) Polytechnic School	291,500	
(K.) Government horses	93,400	
(L.) Workshops at Thun	140,000	
(M.) Laboratory at Thun	195,000	
		17,726,108
V. Unforeseen expenses		2,892
Sum Total of Expenditure counted upon ..		19,415,000

	Francs.
Receipts	19,175,000
Expenditure	19,415,000
Deficit	240,000

The Budget for 1866, therefore, foresaw a deficit of 240,000 francs (9,600*l.*). The Budget for 1867, on the other hand, laid before the Federal Assembly in December last, puts the receipts at 20,173,000 francs, and the expenditure at 19,809,000 francs, showing a surplus of 364,000 francs (14,560*l.*).

For the details of the receipts and expenditure, I would beg to refer to my report dated May 1, 1866. I will, however, add a few words on the subject of the Federal military expenditure.

The Federal finances, as I endeavoured to point out in my Report above referred to, and Switzerland is about to fall back upon her as yet untried credit for the first—possibly not for the last—time.

Up to the present time the only public loan contracted by the Government of this country was raised under exceptional circumstances in 1857, amounting to 11,000,000 francs, only 3,000,000 francs of which remain unpaid.

The system, initiated in 1861, of Federal subventions to public works in the Cantons, together with the large sums spent on the Federal barracks at Thun, the purchase of new muskets and rifled cannon, &c., have led to the annual surpluses (which in ordinary times may be reckoned in round numbers at 1,500,000 francs, 60,000*l.*) being absorbed up to the year 1875.

The events of last year have further complicated this somewhat unsatisfactory financial position. A complete

change of the Swiss armaments—such as was so loudly called for by the Swiss people on the morrow of Sadowa—will involve a further expenditure of from 10,000,000 to 12,000,000 francs, which will have to be provided for by a loan. In a message to the Federal Assembly, dated the 30th of last November, the Federal Council endeavoured to show how these new liabilities were to be met. I extract the subjoined figures from the message:

Extraordinary Credits voted in 1861.

	Francs.	Francs.
Military roads in the Grisons	2,750,000	
Rectification of the Rhine and Rhone	5,790,000	
Watercourses in the Jura	4,670,000	
		13,210,000
Extraordinary military expenditure: rifled cannon (4-pounders) and arsenals	1,851,000	
Thun barracks and range, new muskets (original vote 4,800,000 francs) reduced to	1,640,000	
		4,757,000
		17,967,000

Sums paid on account of above.

Military roads	1,750,000	
Grisons ditto	596.500	
Rectification of the Rhine	780,000	
Ditto of the Rhone	611,000	
Military expenditure	4,757,000	
To be deducted		8,495,000
Balance of credits		9,472,000

The Federal Council reckon that after 1868, when such expenses as the works of the Rhine and the Rhone, &c., shall have been provided for, the annual surpluses will reach the sum of 1,500,000 francs. In nine years (1867-1875) they expect these surpluses to give a sum of 13,500,000 francs (540,000*l.*), which, after the payment of the balance of 9,500,000 francs remaining on the extraordinary credits already voted, would leave them in 1875 with a clear accumulated surplus of 4,000,000 francs.

"Pour exécuter de grands travaux," says the Report, "nous avons dû escompter les ressources de l'avenir; mais nous avons la conviction que nous pourrons faire face à tous les besoins sans entrer dans le système dangereux de la *dette perpétuelle*. Il nous suffira de pondérer désormais avec le plus grand soin nos recettes et nos dépenses, et

d'appliquer au remboursement de l'emprunt, qui devient maintenant nécessaire, les excédants de nos recettes pendant un certain nombre d'années."

The expenses to be provided for by the proposed loan are as follows :

	Francs.
Rifled breech-loading cannon (8 and 12-pounders) .	1,494,480
Conversion of rifles on the Milbank-Amster system.	1,374,000
Winchester rifles	6,381,466
Carbines for the Engineers, Artillery, and Cavalry.	323,626
Conversion of Prelat-Burnand rifles, of purchase of Winchester rifles for the Reserve depôt ..	600.000
	10,153,572
	(406,140*l.*)

Since this message was laid before the Assembly, it has been resolved to arm a large number of the troops with the Winchester rifle. The loan required, therefore, will be one of 12,000,000 francs (480,000*l.*), bearing interest at not more than $4\frac{1}{2}$ per cent. The Federal Council expect to be able to begin paying off this loan in the year 1875, up to which period, as above stated, the annual surpluses are already forestalled, and they hope to be released from all pecuniary obligations in the year 1887.

The message terminates by the following candid admission : "En tout cas cette perspective d'engagements, absorbant nos ressources futures pendant vingt années, est, en fait, assez grave pour mériter un examen approfondi de la part des Conseils de la Confédération, surtout si l'on prend encore en considération que, dans les calculs que nous venons de faire passer sous vos yeux, nous avons supposé que, pendant les vingt années qui vont suivre aucun événement imprévu ne viendrait renverser ces combinaisons, et que la Suisse pourrait traverser cette longue période en se maintenant à l'abri de toutes les crises politiques qui peuvent troubler la paix de l'Europe."

I have, &c.

(Signed) HORACE RUMBOLD.

Sweden.

Report by Mr. Hamilton, Her Majesty's Secretary of Legation, on Commerce, &c.

Mr. Hamilton to Mr. Jerningham.

Sir, *Stockholm, February* 9, 1867.

I HAVE the honour to forward to you herewith my general Report for the past year.

With reference to Lord Stanley's despatch of November 26, 1866, requiring Her Majesty's Secretaries of Legation to send to his Lordship an Annual Report upon the financial position and commercial policy of foreign countries as bearing on their finance, and that such Report should be sent in at the latest within a month after the close of the year, I beg respectfully to state, presuming such Annual Financial Report must be of the immediately preceding year, that in consequence of the non-publicity of any official or trustworthy documents bearing on this subject, until considerably more than a year after due, I have been unable to draw up the Report above alluded to.

I have, &c.
(Signed) FRED. HAMILTON.

Inclosure.

Report.

Population.

ACCORDING to a late census taken the population of Sweden was—

In 1862	3,965,899
1863	4,022,564
1864	4,070,061

The number of males in 1862 was 1,929,522; the number of females in 1862 was 2,036,377. The proportion of males to females in this return is as 19 to 20, a proportion in which there has been no important difference during the last ten years. It is a curious fact that Scotland, which has so similar a climate and farm-labour system to that of Sweden, is almost the only other country having this great excess of females over males.

Under the extension of trade the proportion of town to country population has gradually increased. Twenty years ago it was 106 to 1,000; ten years ago 114 to 1,000; whereas it is now 131 to 1,000. This proportion is, however, still less than in Norway, only half of that of Denmark, and about a third of the population of Germany.

The number of births in the year 1861 was	..	126,634
The number of deaths	..	71,829
		54,805
The number of births in the year 1862 was	..	131,584
The number of deaths..	..	84,350
		47,234

By this it appears that in 1861 the increase of births over deaths was 54,805, while in 1862 it was only 47,234; showing an increase of deaths in the latter year of 12,521. The population, however, in the first period, had increased by 2,806, and in the latter by 1,326, which was supposed to represent the excess of emigrants over immigrants.

The number of emigrants, which in 1852 was upwards of 3,000, gradually decreased to between 300 and 400 in 1860. Official returns are wanting for the following years, but from the above increase of the population in the years 1861, 1862, 1863, and 1864, it is evident that no great change had taken place, and that emigration had not had any important influence on the population.

From the following statistical notices it would appear that the population of Sweden is not likely for several years to increase as rapidly as during the years preceding 1861.

The number of births from 1856, when they amounted to 115,682, increased rapidly without interruption to 1860, when they amounted to 133,162; but afterwards suddenly fell in 1861, and that in 1862 they were less than in 1859

and 1860. The explanation of this is to be found in the large number of births in the three quinquenniums, 1811-1825, especially the latter; and on the other hand, in the small and declining number of births which followed during the quinquenniums 1826-1840, so that the productive ages, classed between the ages of 25 and 26, were relatively more numerous during the term between 1840-1850, than will be the case during the fifteen years that will follow after 1860, until the consequences of the above small number of births between 1826 and 1840 shall have been counteracted by the increasing number of births in the following quinquenniums.

This supposition is confirmed by the fact that the number of marriages from the year 1859, when they reached the maximum of 31,125, decreased in 1860 to 29,839, in 1861 to 28,272, and in 1862 to 27,825.

A similar cause makes the relative number of marriages more favourable in towns than in rural districts, and greatest in Stockholm. During the quinquennium 1856-1860, there was in Stockholm 1 marriage to 103 inhabitants; in the provincial towns 1 in 112; but in the rural districts only 1 in 130 inhabitants. The origin of the above is not supposed to exist in any greater facilities for setting up housekeeping in towns, and still less in any moral superiority, but in the fact that the marriageable classes between the ages of 21 and 50 (as at the close of 1860 for instance), were in Stockholm,—males, 59·40 per cent. of the whole population; and females, 54·51 per cent. of the whole population: in the provincial towns—males, 52·02; and females, 52·26 per cent.: but in the rural districts—males, only 40·53, and females, 40·48 per cent.

Thus if the population in a country at a given period were 2,000,000, and the number of people between the ages of 21-50 years amounted to 40 per cent. of the whole, and if this population at a following period should increase to 4,000,000, of which only 20 per cent. were within the above marriageable ages, a larger number of births could not be expected from the latter population than from the former one.

From an analysis of the ages of the men and women who were married in the year 1862, and which it is presumed will equally apply to other years, it appears that in Sweden the majority of marriages are contracted both by

men and women between the ages of 25 and 30 inclusive. Among females the greatest number who entered the married state were aged 27 years, and this may be considered as the average age of the women in Sweden when first married.

The number of illegitimate children was 21·14 per cent. in towns, and in the rural districts only 6·90 per cent. The aggregate for the whole kingdom was 8·82 per cent. In Stockholm the number amounted to 39·60 per cent.

In comparison with 1861 there was a little improvement, so that while in 1862 in the whole kingdom 1 illegitimate child was born for every 340 inhabitants, in 1861 there was 1 for every 329. In the rural districts the proportion was 1 in 436 in the year 1862, and 1 in 420 in the year 1861; in towns 1 in 126 in 1862, and 1 in 123 in 1861. In Stockholm separately, 1 in 70 in 1862, and 1 in 69 in 1861; the difference in these latter places was not very great, especially with respect to Stockholm.

The mortality among children was considerably greater in 1862 than in 1861, in consequence of several epidemics which then raged among infants especially, and it is chiefly to this circumstance the fact must be ascribed, that while the percentage of mortality on the population was only 1·85 per cent. in 1861, it was 2·14 in 1862.

Of the total mortality in the whole kingdom in 1862, the proportion at different ages was as follows:—

Between the ages of 4 and 10 years 45·39 per cent. in the rural districts, 51·74 in towns, and 52·43 in Stockholm separately.

In 1861 these figures were respectively 42·72, 41·3, 47·63, and this notwithstanding the relative number of deaths during the first year of life was everywhere less than 1861, showing that the increase of mortality must have been much greater between the ages 2 and 10.

It appeared, too, that of the 15,839 deaths caused by epidemics in 1862, the greater part arose from children's diseases, namely, 7,407 from measles, 1,684 from scarlet fever, 1,549 from hooping cough, and 1,333 from croup. Next in order were 1,191 deaths from violent diseases of the throat, and 1,069 from nervous fever; from ague there were 367 deaths, from dysentery 326, from brain fever

277, from diarrhœa 255, from small pox only 148, and from native cholera 31.

The deaths in 1861 were in the proportion of 100 males to 96·43 females.

In Stockholm the percentage of deaths was 3·35, while the average percentage for the whole kingdom was only 1·85. From the second year of life Stockholm shows a less degree of mortality than that which is shown in the towns collectively, and even than that which exists in some rural districts.

Births.—The least number of legitimate children are born in July, and the summer months generally; and the least number of illegitimate children in the months between July and November, both inclusive.

Marriages.—Of the marriages in 1861, 83·35 per cent. were between bachelors and spinsters, 4·58 per cent. between bachelors and widows, 9·06 between widowers and spinsters, and 2·51 between widowers and widows; of 1,000 marriages, 5·04 per cent. were entered into by males for the third time, and 2·30 by females; and for the fourth time 0·3 per cent. by males, and an equal proportion by females.

The greatest number of marriages were in October, November, and December, viz.; in the whole Kingdom, 45·69 per cent.; in the rural districts, 46·20 per cent.; and in towns 42·54 per cent. The second quarter of the year, April, May, and June, is the next favoured with respect to marriages, the proportion being, for the whole Kingdom, 24·83; for the rural districts, 24·43; and for towns, 27·42 per cent. The remainder is divided nearly equally between the first and third quarters.

18,327 marriages were dissolved by death, so that the proportion between marriages entered into and those dissolved by death was as 100 to 65. Of the parties deceased 100 were males and 78 females. By divorce, 164 betrothals and 150 marriages were dissolved.

The following Table shows the great difference between the mortality in the former and the latter sections of the year, the deaths in the former six months exceeding those in the latter by nearly 24 per cent.

First Six Months.

	No. of Days.	No. of Deaths	Per Diem.
January	31	7,228	233·16
May	31	7,085	228·55
April	30	6,917	230·56
March	31	6,852	221·00
February	28	6,104	218·00
June	30	5,227	174·23
Total	181	39,413	217·75

Second Six Months.

	No. of Days.	No. of Deaths.	Per Diem.
December	31	6,445	207·9
November	30	6,005	200·16
October	31	5,155	185·29
September	30	5,062	168·73
August	31	4,951	159·7
July	31	4,798	154·77
Total	184	32,416	176·17

Households.—At the close of 1860 there were 767,229 families and householders of from 1 to 15 members in the rural districts, and 123,842 in the towns, exclusive of soldiers in barracks, inmates of benevolent institutions, and prisoners, numbering 24,176 in the rural districts, and about 18,000 in the towns. The average size of households in the rural districts is estimated at 4·46, and in towns at 3·51. Households of 3 are the most numerous in the rural districts, and of 1 in the towns.

In Stockholm, of 36,374 households 14,841 consist of 1 member. In the rural districts, households of from 4 to 7 members make 5,467 out of 10,000 persons, being 54·67 per cent. of the rural population.

In towns, households of from 3 to 4 persons do not form a larger proportion than 4,963 in 10,000.

Imports and Exports, 1864.

The imports, which in 1863 amounted in value to 96,627,000 riksdalers or 5,358,166*l.* 13*s.* 4*d.*, sunk in 1864 to 96,549,000 riksdalers, or 5,363,833*l.* 6*s.* 8*d.*

The exports, which in 1863 amounted in value to 92,524,000 riksdalers or 5,140,222*l.* 4*s.* 5*d.*, rose in 1864 to 94,003,000 riksdalers or 5,222,388*l.* 17*s.* 9*d.* The total value, therefore, of the imports and exports to and from Sweden in the year 1864 amounted to 190,552,000 riksdalers, or 10,586,222*l.* 4*s.* 5*d.*, being an excess of 1,401,000 riksdalers, or 77,833*l.* 6*s.* 8*d.*, over that of the preceding year.

The importation of gold and silver in specie and bullion in 1864 exceeded the importation of the same metals in 1863 by the value of 1,235,094 riksdalers, or 68,616*l.* 6*s.* 8*d.*

Imports.

Of the chief articles of import in 1864—

Coals were imported in larger quantity than in any previous year, viz., 16,513,817 cubic fots,* being in excess of the importation in the previous year by a fraction more than 929,478 cubic fots.

Cotton, the importation of which, in consequence of the American revolution, sunk in 1862 (from nearly 18,000,000 skalpunds,† to which it amounted in 1861) to somewhat more than 3,000,000 skalpunds, and in 1863 to 1,709,707 skalpunds, rose in 1864 to 4,059,153 skalpunds, of which 295,857 skalpunds were re-exported in the same year.

Undied Cotton Yarn, the importation of which in 1862 had sunk to 464,406 skalpunds, and in 1863 amounted to 468,596 skalpunds (or about half of the quantity imported in each of the years 1860 and 1861), was reduced in 1864 to 458,706 skalpunds.

Printed and Embossed Cotton Textiles, the importation of which in 1862 was 426,288 skalpunds, and which in 1863 was reduced to 258,989 skalpunds, sank further in 1864 to 244,481 skalpunds.

Undressed Dry Hides.—The importation of these sunk from 39,813 centners‡ in 1863 to 42,715 centners in 1864; on the other hand the importation of

Wet Salted Hides increased from 28,889 centners in 1863 to 42,715 centners in 1864.

* "Fot," foot. 100 Swedish "fotter" are 97·410 English feet.

† "Skalpund," pound. 100 "skalpunds" are 93·7147 pounds avoirdupois.

‡ "Centner," hundredweight. 1 Swedish "centner" is 93·3147 pounds avoirdupois.

The importation also of *Sole Leather*, *White Tanned* and *Shammy-dressed Hides*, increased from 244,597 skalpunds in 1863 to 380,705 skalpunds in 1864.

Wool.—In this article the importation, which in 1863 rose to 3,487,488 skalpunds, sunk in 1864 to 2,460,466 skalpunds.

Woollen Woven Goods.—The importation of the chief kinds of this class also decreased, viz.,

Felts and Carpeting from 147,860 skalpunds in 1863 to 131,079 skalpunds in 1864; and other kinds (with the exception of printers' cloth, the importation of which is considerable), from 1,136,395 skalpunds in 1863 to 933,964 skalpunds in 1864.

Raw Sugar.—In the importation of this article there was a considerable decrease in 1864, the duty upon it that year being 33,008,080 skalpunds, whereas in 1863 it was 37,518,054 skalpunds.

Molasses decreased from 3,427,505 skalpunds in 1863 to 2,710,507 skalpunds in 1864.

Refined Sugar.—There was but little difference between the importation of this article in the years 1863–64, the figures being for the former 5,984,671 skalpunds, for the latter 5,911,708 skalpunds.

Pork and Bacon.—There was an immense decrease in the importation of these articles during the year 1864 as compared with the previous year, the figures standing thus:—for 1863, 83,529 centners; for 1864, 42,005 centners. England having furnished nearly the whole of this quantity, it is supposed that the decrease in the consumption of these articles of food during the last-mentioned year was occasioned by the disease in pigs, which in Germany had created such a panic.

Spirits.—Of these an unusually large quantity was imported in 1863, amounting to 987,231 skalpunds of alcohol, making, together with other distilled spirits from corn, potatoes, and other root vegetables, 1,138,462 skalpunds of alcohol. In the year 1864 the importation of the different kinds of spirits, and of brandy distilled from corn, potatoes, &c. was only 76,792 skalpunds of alcohol.

The importation of the following articles in the year 1864, as compared with the previous year, declined as follows:—

Wine in wood from 3,493,930 to 3,101,888 skalpunds.

Wine in bottles from 74,866 to 63,998 kanners.*
Coffee from 16,043,093 to 15,650,485 skalpunds.
Rice from 3,697,115 to 3,024,523 skalpunds.
Tea 70,818, to 58,839 skalpunds.
Turpentine from 1,201,151 to 156,311 skalpunds.
Cheese from 12,449 to 10,569 centners.
Butter from 29,524 to 26,364 centners.
Tallow from 45,627 to 35,226 centners.

Exports.

Timber and Wood.—With reference to this most important article of export, the Board of Commerce remarks, that, in consequence of the change made from the beginning of 1864 in the manner of calculating the quantity of this article with the view of obtaining more complete returns, there is a difficulty in instituting any reliable comparison as to how far the exportation of wood and timber in 1864 had increased or diminished, as compared with the previous year. It may, however, be assumed that the entire wood and timber export of the kingdom in 1864 was rather above than under the usual annual exportation of such article.

Pig Iron.—The exportation of this article having, in 1862, risen to 373,346 centners, sunk in 1863 to 235,749 centners, but in 1864 it rose to 403,157 centners, being the largest quantity exported in any year up to that date.

Bar Iron.—The exportation of this article increased from 2,176,282 centners in 1863 to 2,267,472 centners in 1864, an amount which was only exceeded in one previous year, namely, 1860, when the quantity exported amounted to 2,296,181 centners.

Steel.—The exportation of this article having sunk from 152,892 centners in 1862 to 94,464 centners in 1863, rose again in 1864 to 112,451 centners.

Iron Plates.—Of these 12,417 centners were exported in 1863, and 18,714 centners in 1864.

Refined Copper.—30,820 centners were exported in 1862, and in the year 1863 it increased to 35,703 centners, but in 1864 it sunk to 32,963 centners.

* "Kanner." 100 "kanner" are equal to 57·603 English Imperial gallons.

Tar.—The exportation of which rose in 1863 to the considerable quantity of 395,904 centners (the mean price in Stockholm being 5 riksdalers 75 öre per centners), sunk in 1864 to 158,386 centners, when the mean price also sunk to 4 riksdalers.

Pitch.—In the exportation of this article which, in 1863, was 19,688 centners, there was only a slight decrease in 1864 amounting to about 500 centners.

Oats.—The exportation of oats amounted in the year 1863 to the considerable quantity of 9,847,367 cubic fots. In the year 1864 the exportation was not quite so large but still amounted to 90,020,597 cubic fots.

Rye.—The quantity exported decreased from 166,977 cubic fots in 1863 to 74,601 cubic fots in 1864, while, on the other hand, the exportation of the following kinds of grain increased.

Wheat.—From 162,528 cubic fots in 1863 to 436,138 cubic fots 1864.

Barley and Malt.—From 1,021,827 cubic fots in 1863 to 1,295,019 cubic fots in 1864.

The Customs Receipts—Amounted in 1864 to 13,321,293 riksdalers, or 740,071*l.* 16*s.* 7¾*d.*, being 1,488,110 riksdalers, or 82,672*l.* 15s. 6½*d.*, less than the Customs Receipts in 1863.

Exportation in 1865 *from the United Kingdoms of Sweden and Norway to Great Britain and Ireland*—During the first half of the year 1865 the above exports amounted in value to 1,687,714*l.*

During the same period in 1864 it was somewhat larger, amounting to 1,720,048*l.*

Manufactures, 1864.

Cloth Mills.—At 102 mills the quantity manufactured was 10,798 fots* of superfine, 131,593 fots of fine, and 1,947,246 fots of coarse cloth, besides 1,651,286 fots of miscellaneous textile stuffs, consisting of shawls, cloths, and blankets, &c.; the whole amounting in value to 9,704,207 riksdalers, or 539,122*l.* 12*s.* 2½*d.*, which sum exceeded the value of the same manufactures in 1863 by 146,927 riksdalers, or 8,122*l.* 12*s.* 2½*d.*, but was less than that of 1862 by 1,866,740 riksdalers, or 103,707*l.* 15*s.* 6½*d.*,

* "Fot," foot. 1 Swedish "fot" equal to 11·689229 English inches.

that of the latter year being the highest hitherto attained. Besides at Norrkoping, the manufacture of cloth was carried on in seven other towns and at eleven different places in the country.

Manufactories for Whole and Half Woollen Stuffs.—The value of goods manufactured at these, comprehending flannel and flax cloth, was estimated at 1,364,443 riksdalers, or 75,802*l.* 7*s.* 9¼*d.*, and exceeded by 10,932 riksdalers, or 607*l.* 6*s.* 8*d.* the total value of the same manufactures in 1863.

Cotton Mills.—At these, fifteen in number, there was produced in the year 1864 cambric, calico, domestic, moleskin, furniture stuffs, shirting, fustian, and other stuffs to the total amount of 2,690,946 riksdalers, or 149,497*l.*, being 605,304 riksdalers, or 33,628*l.* more than the value of the same manufactures in the previous year.

Linen Cloth Manufactories.—Of these there were three producing goods to the value of 225,350 riksdalers, or 12,519*l.* 8*s.* 10½*d.*, which was less by 17,138 riksdalers, or 952*l.* 2*s.* 2½*d.* than that stated for 1863.

Sail and Tent Cloth Manufactories.—These in 1864 were three in number, and the quantity produced was stated at 1,337,351 fots, with a value of 478,908 riksdalers, or 26,606*l.*, being 26,746 riksdalers, or 1,485*l.* 17*s.* 9*d.* more than in the previous year.

Hose Manufactories.—Of these there were fifteen producing goods to the value of 497,787 riksdalers, or 27,654 16*s.* 7¾*d.*

Rope Walks.—Of these there were twenty employed during the year 1864, and the value of goods produced was stated at 324,046 riksdalers, or 18,002*l.* 11*s.* 0½*d.*, which was less by 22,482 riksdalers, or 1,249*l.*, than the quantity produced in 1863.

Wool Spinneries worked by Machinery.—Of these there were twelve at work during the year. The value of the produce was 60,941 riksdalers, or 3,385*l.* 12*s.* 2½*d.*, and less by 79,356 riksdalers, or 4,408*l.* 13*s.* 4*d.*, than the produce of 1863.

Cotton Spinneries worked by Machinery.—During the year there were thirteen mills, with an aggregate of 105,648 spindles, at work. The value of the produce amounted to 4,912,898 riksdalers, or 272,938*l.* 15*s.* 6½*d.* This was an increase on the year 1863 of 1,997,702 riksdalers, or 110,983*l.* 8*s.* 10¼*d.*

Linen Thread Spinneries worked by Machinery.—This branch of manufacture was in 1864, as in previous years, only carried on at Almedal. The quantity manufactured was stated at 531,626 skalpunds,* valued at 671,437 riksdalers, or 37,302*l.* 1*s.* 1¼*d.*

Silk Manufactories.—Of these there were five, all in Stockholm. They produced entire and half silk stuffs of different kinds, to the amount of 250,506 fots, and kerchiefs, shawls, &c., to the amount of 137,931 pieces, the total value of which was stated at 1,116,175 riksdalers, or 62,099*l.* 14*s.* 5*d.* This sum exceeded by 92,837 riksdalers, or 5,157*l.* 12*s.* 2½*d.*, the value of the same branch of manufacture in 1862, but was less than that of 1863 by 116,042 riksdalers, or 6,224*l.* 11*s.* 1*d.*

Chintz and Cotton Printing Manufactories.—Of these there were nine. The produce was estimated at 1,288,863 fots, and 1,896 pieces. The whole was valued at 139,788 riksdalers (7,766*l.*), being 22,451 riksdalers (1,247*l.* 5*s.* 6½*d.*), more than the value of the same production in 1863.

Sugar Refineries.—Of these there were ten, being four less than in the year 1863. The total value of the sugar refined was 13,345,478 riksdalers (741,415*l.* 8*s.* 10½*d.*), and exceeded by 191,651 riksdalers (10,647*l.* 5*s.* 6½*d.*), the value of the same production in 1863. At the sugar refinery of Landskrona, the manufacture of sugar from white beet was also carried on, but the quantity so produced has not been separately stated. The manufacture at that place of white beet sirup was 485,000 skalpunds, amounting in value to 16,975 riksdalers (943*l.* 1*s.* 1¼*d.*)

Tobacco Manufactories.—Of these there were ninety. The value of this produce (which during the years 1859 to 1863 inclusive uninterruptedly increased) sunk in 1864 to 6,369,839 riksdalers (353,879*l.* 18*s.* 10¾*d.*), being 86,889 riksdalers (4,827*l.* 3*s.* 4*d.*), less than the value of the production of 1863.

Dye-Houses.—At 425 dye-houses, the value of the dyeing done was stated at 1,178,500 riksdalers (65,472*l* 4*s.*5*d.*), being 36,947 riksdalers (2,013*l.* 14*s.* 5¼*d.*), less than the corresponding sum in 1863.

Tanneries, &c.—696 in number, of which 190 were in towns, forty in boroughs, and 466 in the country. The produce consisting of sole leather, greased leather (for water boots) and various kinds of hides and skins was stated at

* 1 Swedish "skalpund" equal to 14·994 English ounces avoirdupois.

3,108,755 skalpunds, of the former, and 538,844 pieces of the latter. The aggregate value was 4,975,482 riksdalers (276,415*l.* 13*s.* 4*d.*), being 166,466 riksdalers (9,248*l.* 2*s.* 2½*d.*) more than in 1863. The most considerable production was effected at twelve tanneries in Stockholm, in which the quantity produced was stated at 474,921 skalpunds, and 18,469 skins and hides amounting to an aggregate value 1,024,862 riksdalers (56,936*l.* 15*s.* 6½*d.*)

Oil Presses.—Of these there were forty-six, of which forty-one in the country, and the value of oil produced was stated at 1,911,164 riksdalers (106,175*l.* 15*s.* 6½*d.*), being 156,466 riksdalers more than in 1863.

Soap Manufactories.—The number of these was thirteen. The total quantity produced was stated at 5,739,080 skalpunds of soft soap, and 543,504 skalpunds, and 650,484 cakes of finer soaps, the total value of which was 1,432,222 riksdalers (79,567*l.* 17*s.* 9*d.*), being 26,126 riksdalers (1,451*l.* 8*s.* 10½*d.*) less than in 1863.

Stearine Candle Manufactories.—Of these as in the two previous years there were four. The quantity produced (which in the year 1863 was estimated at 979,190 skalpunds of stearine, margarine, and palmatine candles) was stated, in 1864 at 811,239 skalpunds, chiefly stearine, valued at 496,755 riksdalers (27,597*l.* 10*s.*), which sum was less by 204,361 riksdalers (11,353*l.* 7*s.* 9¼*d.*), than the value stated in 1863.

Tallow Candle Manufactories.—Of these there were twelve. The production which in 1862 was stated at 9,695 centners* valued at 390,700 riksdalers (21,705*l.* 11*s.* 1*d.*), and in the year 1863 rose to 24,843 centners, valued at 994,255 riksdalers (55,236*l.* 7*s.* 9¼*d.*), was in 1864, 20,863 centners, estimated at the value of 820,259 riksdalers (45,952*l.* 18*s.* 10½*d*).

Glass Works.—Of these there were twenty-two, producing to the value of 1,617,756 riksdalers (89,875*l.* 6*s.* 8*d.*), being an increase on the value of the production in 1863, of 115,830 riksdalers (6,435*l.*)

China and Delfware Manufactories.—Of these there were as in the previous year two, namely, Gustapsberg and Rorstrand, both in the neighbourhood of Stockholm, The value of the production at the former amounted to 495,849 riksdalers (27,547*l.* 3*s.* 4*d.*), and at the latter to 462,556

* "Centner," hundredweight. 1 Swedish "centner" equal to 93·9147 pounds avoirdupois.

riksdalers (25,697*l.* 11*s.* 1*d.*) The total value 958,405 riksdalers (53,244*l.* 14*s.* 5¼*d.*), was less than that of 1863 by 68,341 riksdalers (3,796*l.* 14*s.* 5¼*d.*)

Potteries and Stove Tile Manufactories.—There were seventy-seven such manufactories in the year 1864, and the value of the production was stated at 419,630 riksdalers 23,312*l.* 15*s.* 6½*d.*), being 25,113 riksdalers (1,395*l.* 3*s.* 4*d.*) more than the value of the corresponding production in 1863.

Paper Mills.—Eighty-four in number, of which eighty-two had been worked. The quantity produced was 3,611,602 square fots* 175,379 ris† 60,240 centners, 6,262,658 pieces, 7,456 rolls, and 1,003 packets. The whole valued at 2,847,354 riksdalers (158,186*l.* 6*s.* 8*d.*), being 10,498 riksdalers less than in 1863 (583*l.* 4*s.* 5*d.*)

Playing Card Manufactories.—Of these there were four, in addition to which playing cards were manufactured at the Joint Stock Lithographic establishment at Norrköping. The quantity manufactured was stated at 182,304 packs of cards, the value of which was estimated at 141,892 riksdalers (7,882*l.* 17*s.* 9*d.*), which sum exceeded by 47,722 riksdalers (2,654*l.*), the value of the production of 1862, but was less than that of 1863 by 21,233 riksdalers (1,179*l.* 12*s.* 2¼*d.*)

Paper Hanging Manufactories.—The number in 1864 was 20. The aggregate value of the production was stated at 644,273 pieces, valued at 310,067 riksdalers, or 17,225*l.* 18*s.* 10¾*d.*, being 31,117 riksdalers, or 1,728*l.* 14*s.* 8¼*d.* less than the production in 1863.

Engineering Establishments.—Of these there were 104, namely, 94 in towns and 10 in the country, producing to the value of 7,221,177 riksdalers (401,176*l.* 10*s.*). The total value as compared with 1863 showed an increase of 1,472,906 riksdalers, or 81,828*l.* 2*s.* 2½*d.*

Carpentry Manufactories.—Worked by machinery. Of these there were two, both in Stockholm. The value of the production at one was 180,000 riksdalers, or 10,000*l.*, and at the other 18,000 riksdalers (1,000*l.*), being an increase on 1863 of 3,000 riksdalers (166*l.* 13*s.* 4*d.*).

Carriage Manufactories.—Of these there were 25. The total value of the production was stated at 226,489 riksdalers (12,582*l.* 14*s.* 8¼*d.*), which was 21,897 riksdalers (1,216*l.* 10*s.*) more than in 1863.

* 1 Swedish square "fot" equal to 136·63308 English inches.
† "Ris," ream.

Manufactories for Chemical Preparations. — These manufactories comprehending the preparation of technical chemical compounds, colours, perfumes, mineral waters, &c., were 35 in number, namely, 28 in towns, and 7 in the country. The total value of the production at all of these manufacturies was stated at 438,228 riksdalers (24,346*l.*), being 8,458, riksdalers (469*l.* 17*s.* 9*d.*) more than the value of the same production in 1863.

Lucifer Match Manufactories.—At 15 of these manufactories the value of the production was 561,991 riksdalers, or 31,221*l.* 14*s.* 3¼*d.*, which sum exceeded the production of the previous year, 1863, by 93,478 riksdalers (5,193*l.* 4*s.* 5*d.*).

Starch Manufactories.—Six in number, and producing 528,900 skalpund, valued at 100,499 riksdalers (5,583*l.* 5*s.* 6½*d.*), which was less by 30,620 riksdalers (1,701*l.* 2*s.* 2½*d.*), than the stated value of the same production in 1863.

Yeast Manufactories.—Of these were five all in the Province of Stockholm. The quantity produced was 159,493 skalpunds, valued at 109,074 riksdalers (6,059*l.* 13*s.* 4*d.*), being 47,178 riksdalers, or 2.621*l.* less than in 1863.

Porter Breweries.—The brewing of porter in gross was only carried on at the Lorentska Brewery, in the Province of Göcheborg and Bohus. The quantity produced was 434,395 kannors, valued at 479,840 riksdalers (24,133*l.* 1*s.* 1¼*d.*).

Chicory Manufactories.—Seven in number. The quantity produced was 1,661,418 skalpunds, valued at 223,030 riksdalers (12,390*l.* 11*s.* 1*d.*), being 3,050 riksdalers more than the value of the production in 1863.

Manufactories for the production of Wines from Swedish Berries.—Of these there were three, producing 153,200 kannors, corresponding in value to 321,400 riksdalers (17,855*l.* 11*s.* 1*d.*). This was less by 13,274 riksdalers (737*l.* 8*s.* 10½*d.*) than the same production in 1863.

Lithographic Establishments. — Of these there were two producing to the value of 202,108 riksdalers (11,228*l.* 2*s.* 2½*d.*), which compared to the value of the same production in 1863 shows an increase of 60,848 riksdalers, or 3,380*l.* 8*s.* 11*d.*

Musical Instrument Manufactories.—Of these there were eight at work during the year. The value of the

production amounted to 131,400 riksdalers (7,300*l.*), which was about the same as in 1863.

Mineral Oil Manufactories.—During the year 1864, which was the first year in which any manufactures of this description was reported, there was produced at two manufactories in the neighbourhood of Stockholm, the quantity of 170,000 kannors, amounting in value to 200,000 riksdalers, or 11,111*l.* 2*s.* 2½*d.*

Glove Manufactories.—Eleven in number. The value of the production amounted to 124,900 riksdalers (6,938*l.* 17*s.* 9*d.*), being 42,523 riksdalers (2,363*l.* 7*s.* 9¼*d.*) more than the value stated for 1863.

Miscellaneous Manufactories.—These amounted to 474 in activity during the year, and 49 unemployed. In the year 1863 the number of miscellaneous manufactories in activity was 526. The value of the goods produced at these manufactories in 1864 was stated at 1,538,218 riksdalers (85,456*l.* 12*s.* 2½*d.*), which sum exceeded by 42,781 riksdalers (2,376*l.* 14*s.* 5¼*d.*), the corresponding value in 1863.

From the above statements it appears that the number of manufactories, &c., in 1864 was 2,411, and that the total value of the produce amounted to 71,088,079 riksdalers (3,949,337*l.* 14*s.* 5¼*d.*), which was less than in 1861 by 3,518,788 riksdalers, or 195,488*l.* 4*s.* 5*d.*, but exceeded the total value of the production in 1862 and 1863, by 661,305 riksdalers (36,379*l.* 3*s.* 4*d.*) on the former, and 4,553,422 riksdalers, or 252,967*l.* 17*s.* 9*d.* in the latter year.

Home Shipping, 1864.

From the Report of the Board of Commerce for the year 1864, it appears that 2,041 vessels of 3 nylaster* burden and upwards were employed during the year in home navigation, and that the aggregate tonnage of the above vessels (exclusive of the burden of certain steam-vessels for which only the horse power had been stated), amounted to 24,706 nylaster.

From the tables referring to the traffic on the Trollhätte, Götha, Södertelje, Strömsholm, Hjelmare, and Wäddo canals during the quinquennial period 1860-1864, it appear that:—

* 1 "nylast" equal to 83 cwt. 75 lbs.

The Trollhätte Canal was traversed in 1860 by 5,559 sailing-vessels and boats and 1,120 steam-boats, the aggregate dues received from which amounted to 315,065 riksdalers 15 öre, or 17,503*l.* 12*s.* 4½*d.*, and in the year 1864 by only 5,556 sailing-vessels and boats, and 1,006 steam-vessels. The canal dues in the latter year amounted, notwithstanding, to 330,655 riksdalers 49 öre, or 18,369*l.* 15*s.* being an increase on 1860 of 15,590 riksdalers 34 öre, or 866*l* 2*s.* 7*d.*

The Götha Canal was traversed in 1860 by 2,339 sailing-vessels and boats, and by 948 steam-boats, the dues for which amounted to 272,966 riksdalers 13 öre, or 15,164*l.* 15*s.* In 1864 the canal was traversed by 2,101 sailing-vessels and boats, and by 756 steam-boats, the dues for which amounted to 190,910 riksdalers 8 öre, or 10,606*l.* 2*s.* 3½*d.*, being 82,056 riksdalers 8 öre less than in the year 1860.

The Södertelge Canal was traversed in 1860 by 2,167 sailing-vessels and boats and by 1,638 steam-boats, the dues for which amounted to 36,737 riksdalers 61 öre, or 2,040*l.* 19*s.* 6½*d.* In 1864 the canal was traversed by 2,080 sailing-vessels and boats, and by 1,212 steam-boats, the dues for which amounted to 26,888 riksdalers 12 öre, or 1,493*l.* 15*s.* 8*d.*, being 9,849 riksdalers 49 öre, or 547*l.* 3*s.* 10½*d.*, less than in 1860.

The Stromsholm Canal was traversed in 1860 by only 1,154 vessels, the dues for which amounted to 59,716 riksdalers 26 öre, or 3,317*l.* 11*s.* 4¼*d.* In 1864 it was traversed by 1,770 sailing-vessels and boats, and by 238 steam-boats, the dues for which amounted to 86,676 riksdalers 49 öre, or 4,815*l.* 7*s.* 2*d.*, being 26,960 riksdalers 23 öre (1,497*l.* 15*s.* 9½*d.*), more than in 1860.

The Hjelmare Canal was traversed in 1860 by 492 sailing-vessels and boats and by 140 steam-vessels, the dues for which amounted to 23,755 riksdalers 79 öre, or 1,319*l.* 15*s.* 3¾*d.* In 1864 the canal was traversed by 835 sailing-vessels and 129 steamboats, the dues for which amounted to 19,567 riksdalers 63 öre, or 1,087*l.* 1*s.* 9¼*d.*, being 4,188 riksdalers 16 öre, or 232*l.* 13*s.* 6*d.*, less than in 1860.

The Wäddo Canal was traversed in 1860 by 956 sailing-vessels and boats and by 46 steam-vessels, the dues for which amounted to 1,699 riksdalers 45 öre, or 94*l.* 8*s.* 3¼*d.* In 1864 the canal was traversed by 604 sailing-vessels and

boats and by 80 steam-boats, the dues for which amounted to 1,149 riksdalers 52 öre, or 63*l.* 17*s.* 2¾*d.*, being 549 riksdalers 93 öre, or or 30*l.* 11*s.* 0¼*d.*, less than in 1860.

From another table it appears that in 1860 the whole of the above-named canals were traversed by 208 steam-boats with an aggregate of 9,332 horse power, and that in 1864 the same canals were traversed by 283 steam-boats with an aggregate of 8,962 horse power.

State Railways, 1864.

At the close of 1864 the following lines of railway were open for public traffic.

The Western Trunk Line 42·6 Swedish mil;* the branch line to the town of Södertelje 0·1 mil; the junction line between Hallsberg and Orebo 2·3 mil; and the South Trunk Line 35·6 mil; making a total length of 80·6 mil. The mean length of railway open throughout the year was 71·6 mil.

If to the above-named State railways be added the length of the Köping-Hult and the Nora-Ervalla Railways 6·8 mil, and also that of the Boras-Herrlgunga Railway 3·9 mil, it appears that the railway net formed by these lines at the close of 1864, had an aggregate length of 91·3 mil.

The revenue, during the seven years in which the State railways could properly be said to have been open to the public, had increased at the rate of 33·849 per cent. per railway mil, while the cost of maintenance and traffic for the same length of railway had not shown any increase during the latter years, and, in fact, during the last year had been 10·581 per cent. less than during the first, and this, notwithstanding the continually increasing traffic, had made greater demands on the capabilities of the railways with respect to transport.

This favourable position of affairs is further illustrated by the fact that the net revenue over and above the expenditure during the seven years had risen from 713 riksdalers 22 öre (or 39*l.* 12*s.* 5¼*d.*), to 16,687 riksdalers 85 öre (or 927*l.* 2*s.* 0½*d.*), per railway mil; that the expenditure, as compared with the revenue, had been reduced from 98 to about 65 per cent.; and that the

* 1 Swedish "mil" is 11,689·2 yards, or 6 miles 5 furlongs 29·2 yards English measurement.

above-named net revenue from having 0·092 per cent. on the capital expended on the construction of the State railways, had risen to upwards of 2 per cent. on that capital.

During the year 1864 consequently the traffic on the State railways had shown the same steady growth as during the previous years, and gave further support to the hope that the capital invested by the country on these means of communication will at no distant period be returned to such extent that the interest on the cost of construction may be derived from the profits on the railway traffic. Before this can be the case, however, the revenue must rise to about 80,000 riksdalers (4,444*l*. 8*s*. 10½*d*.), per railway mil.

1865. *November.*

Railway traffic on the State railway in the month of November, 1865:—

		Riksdalers	öre.
Passengers, 1st class	820	11,442	25
„ 2nd class	11,622	52,496	37
„ 3rd class	61,466	67,773	48
Transport of troops	1,852	3,941	40
Transport of prisoners	15	1,772	58
Total number of passengers .	75,775	137,426	08
Additional Receipts.			
Overweight of baggage, 1,424·76 centners ..		3,730	23
Mail carriage		11,868	0
104 vehicles, 69 horses, 238 dogs		1,780	32
Goods by express, 1,759·87 centners.. ..		5,919	73
Goods by luggage train, 629,528·03 centners ..		205,084	77
Cattle, 3,184 head		13,886	21
Extra traffic receipts—	Rd. öre.		
Hire for carriages, warehouse room, &c.	490 64		
1,457 telegrams	1,732 33		
Sale of time tables, &c... ..	140 65		
		2,363	62
Total		382,391	23
The Revenue for the corresponding month in 1864 was		279,477	77

	Mil.
Mean length of the line of railway open in November 1865 ..	80·5
In the corresponding month 1864	74·9

	Rd.	öre.
Revenue per day and per railway mil in November 1865 .	158	34
In the corresponding month 1864	124	38

December.

During the month of December, 1865, 83,920 passengers were transported on the State railways, and this passenger traffic rendered the State a revenue of 159,696 riksdalers 60 öre (or 8,872*l.* 0*s.* 7¾*d.*); if to this be added the revenue for carriage of luggage, the gross revenue from the traffic on the State railways during the month amounted to 402,164 riksdalers 49 öre (or 22,342*l.* 9*s.* 5*d.*). The corresponding month in the year 1864 produced the sum of 353,234 riksdalers 64 öre (or 19,624*l.* 2*s.* 10½*d.*). The mean length of railway open for traffic amounted during December in both years to 80·6 mil.

The revenue from transport of passengers and goods in 1864, amounted to 3,431,414 riksdalers 82 öre (or 190,634*l.* 3*s.* 4*d.*), when the mean length of railway open for traffic was 71·6 mil, and the revenue per day and per mil of railway, 131 riksdalers 30 öre (7*l.* 5*s.* 10½*d.*).

During the year 1865 the gross revenue from the traffic on the State railways amounted to 4,435,125 riksdalers 16 öre (or 246,395*l.* 16*s.* 10*d.*). The mean length of railway open for traffic was 80·6 mil, and the revenue per day and per mil of railway, 150 riksdalers 76 öre (or (7*l.* 16*s.* 4¼*d.*).

In addition to the revenue from traffic for 1865 stated above, various other items of income have been received for rent, hay, crops, hire of stock, carriages, &c. The receipts of this description which had been paid in at the date of this Report, amounted to 41,330 riksdalers 95 öre, which, added to the proper revenue from the traffic, made a gross revenue from the State railways for the year 1865 of, at least, 4,476,454 riksdalers 14 öre (248,691*l.* 17*s.* 11*d.*), or per mil of railway, 55,540 riksdalers (3,085*l.* 11*s.* 1*d.*).

The expenditure for traffic and maintenance could not be stated with the same degree of certainty; it might, however, be estimated at not more than 2,674,000 riksdalers (148,555*l.* 12*s.* 1¼*d.*), or per mil of railway, 33,180 riksdalers (1,843*l.* 6*s.* 8*d.*).

The net balance of revenue over and above the cost of traffic and maintenance, might consequently be estimated in round figures at 1,800,000 riksdalers (100,000*l.*), or per

mil of railway, 22,360 riksdalers (or 1,242*l.* 4*s.* 5¼*d.*), which was the most favourable result that had been attained.

Wrecks, &c., 1864–65.

From the Report of the Royal Maritime Board relative to the stranded vessels in the year 1864, it appears that during that year 146 vessels had stranded, of which 77 were Swedish and 69 foreign; and of the latter 15 were Norwegian, 4 Danish, 4 Prussian, 5 from other German States, 9 Finnish, 2 Russian, 26 English, 3 Dutch, and 1 French.

Of the whole number stranded 6 Swedish and 2 foreign vessels were saved by their own crews, and 23 Swedish and 35 foreign vessels by assistance from the coast. On the other hand, 48 Swedish and 32 foreign vessels were entirely lost, although the crews were saved, with the exception of the crews of 2 Swedish and 1 foreign vessel, all of whom perished, and of 4 Swedish and 4 foreign vessels, the crews of which were lost in part.

These wrecks happened at the following places :—

Off the coast of the Province of Norbotten 2, at Buskö and Falskär.

Off the coast of the Province of Westerbottin 2, at Malgrund and Holmögadd.

Off the coast of the Province of Gefleborg 3, at the Gran Shoals, Lyusnarvick.

Off the coast of the Province of Upsala 1, at Oregrund.

Off the coast of the Province of Stockholm 23, outside Oregrund, at Gräsö, Gasesten, Dummelgrund, Käringgrund, Orskärssund, Fälö, Sundskär, Batskär, Karskär, Kapellskär, and Svenska Björn.

Off the coast of the Province of Calmar 25, at Wentlinge, Näsby, Hulderstad, Gaxa, and Nord Udd-on-Oland.

In the neighbourhood of Calmar 25, at Strupö, Prestö, Idö, Orö, Refsudd, and off Mönsteras.

Off the coast of the Province of Gotland 26, on the coast of the parishes of Surdre, Hamra and Stonga, at Nasref, Faludd, Wike Point, När, Svarfvarchuk, Kappelshamn, Blikal, Westergarnsholm, Stite, Ronehamn, and Gollska Sandö.

Off the Province of Blekinje 6, at Christianopel, Langskär, Storvik, Majo Reef, and Ungskär.

Off the coast of the Province of Christianstad 4, on the coast of Forslöf, at Furubada, Athus, Torekow.

Off the coast of the Province of Malmöhus 28, at Wiken, Falsterko, Nyhamn, Lerberg, Ostra Torp, Abekas, Höganäs, Biddinge, and Stofstensref.

Off the coast of the Province of Hallard 8, at Artskär, Lynga Shoals, Warbing, Falkenberg, and on the Nidiry.

And, lastly, off the coast of the Province of Göteborg and Bohus 18, on Paternosterskär, Koster, Sundskär, Ramskär, at Wäderöarne, Strömstad, Hallö, Hönö, Käringö, and Malmö Island.

1865.

From the Report of the above Royal Maritime Board it appears that, during the year 1865, 118 vessels had stranded, of which 34 were Swedish and 84 foreign; and of the latter 26 were Norwegian, 21 English, 8 Prussian, 6 French, 6 Dutch, 9 from small German States, 5 Finnish, 1 Danish, 1 Russian, and 1 of unknown nation.

Of the whole number of stranded vessels, 1 Swedish vessel was saved by her own crew, and 9 Swedish and 47 foreign vessels by assistance from the coast. On the other hand, 24 Swedish and 37 foreign vessels were entirely lost, the crews of which, however, were saved, with the exception of the crews of 2 Swedish and 4 foreign vessels, all of whom entirely perished, and 2 Swedish, and 3 foreign vessels, the crews of which were lost in part.

The above wrecks happened at the following places:—

Off the coast of the Province of Norbotten 1, at Bonökallarme.

Off the coast of the Province of Westerbotten 1, at Wänöra.

Off the coast of the Province of Gefleborg 1, at Kräksund.

Off the coast of the Province of Upsala, in Löfstabugt, 3.

Off the coast of the Province of Stockholm 18, at Sveraka, Högarne, Arkholma, Sandhamn, Hufudskär, Gräsö, Svartklubb, Sverska Björn, Dalarö, Felö, and Norlegagrund.

Off the coast of the Province of Nyköping, at Horno, 1.

Off the coast of the Province of Calmar 11, at Norra Näsby, Enetri, Segerstad, Gräsgärd, the north point of Ostand, Ossby, East Wässby, Stora Brunneby, Högby, all on Oland, and at Sparosund.

Off the coast of the Province of Gotland 18, at Farö,

Landsholm, Katthammarsvik, Stora Carlso, Ekevik, Westergarn, Ronc, Hanjvar, Hamra, Kappelshamn, Bunge, Faludd Ljugarn, the Kronvall fishing station, and När Harbour.

Off the coast of the Province of Blekinge 2, at Utlänga, and on the coast of the parish of Christianopel.

Off the coast of the Province of Christianstad 6, at Torekow, Bastad, and Yngsjö.

Off the coast of the Province of Malmöhus 23, at Falsterbo, Huen, Wiken, Lerberg, Kulle, Skanör, Höganäs, Hittarp, Rydebäck, Raa, and Bredgrund.

Off the coast of the Province of Halland 20, on the coast of the parishes of Walda and Släp, at Onsata, Baljö, Nidinge, Klosterfjord, Klabäck, Sördal Känsö, Mellby, Morup, Warberg, Falkenberg, and Näsbroken.

Off the coast of the Province of Göteborg and Bohus 13, at Oroust, Väderöarne, Salberga, Klafverö, Södra, Bonden, Smögen, and Maseskär.

Prisons.

A comparison between the number of prisoners forcibly deprived of liberty during different periods shows the following results:—

	Prisoners.
At the close of 1845	6,663
„ „ 1855	5,478
„ „ 1860	4,564
„ „ 1864	4,630

A comparison of these figures with the population shows that at the close of 1845, 1 in 521; at the close of 1855, 1 in 664; at the close of 1860, 1 in 845; and at the close of 1864, 1 in 879 of the whole population had been forcibly deprived of liberty.

The total number of those who, in pursuance of the Royal Statute of the 4th of May, 1855, from that date until the close of 1864, had been received into cell prisons to suffer hard labour and solitary confinement for the first conviction for theft was 7,091; and as 443 of these were at the end of 1864, still in prison; the number of those who after suffering punishment for the first conviction for theft, had been discharged from the cell prisons was 6,658, with the deduction of those few prisoners who may have died in prison.

Of those thus discharged 943 had returned up to the close of 1864 to suffer punishment for the second conviction for theft, so that the number of those who had relapsed into crime after having (since 1855) suffered punishment for the first conviction for theft, was upwards of 13 per cent.

The average cost of diet for each prisoner in all the prisons, collectively, was 89 riksdalers 41 öre per annum, or 24·5 öre per day, equal to a fraction more than three pence English currency.

For clothing and bedding per annum, 27 riksdalers 64 öre, or per day, 7·6 öre. Total for each prisoner per annum, 117 riksdalers 5 öre, per day, 32 öre, equal to 4*d.*

When work in connexion with the prison does not exist, it is the duty of the Governor to procure it, if possible, and to execute it at his own cost, or at the cost of some private speculator. The profit of such work is divided as follows :—

One-third falls to the Governor, one-third to the prisoner who has executed the work, and one-third is subdivided equally between the gaolers and the savings fund.

The revenue from the work done at all the provincial and Crown cell prisons amounted to—

	Rd.	öre.
In 1860	16,710	66
1861	19,702	75
1862	19,701	82
1863	24,663	38
1864	30,650	81
	111,429	42

6,190*l.* 10*s.* 5½*d.*

The saving funds of all the cell prisons amounted, at the close of the year 1864, to 20,720 riksdalers 90 öre or 1,151*l.* 3*s.* 2¼*d.*

The mean expenditure of the State for the care and maintenance of prisoners during the twenty years ending with 1864, exclusive of the extra grants made for the erection of special buildings, amounted to 1,247,397 riksdalers 47 öre, or 69,299*l.* 17*s.* 2¼*d.*

Postal Report, 1864.

The length of highway on which the mail was forwarded under the direct auspices of the General Post Office in

1864 was 1,840 mil, of which 390 by means of mail deligence, and 20 mil by the coaches of private companies; the remainder by peasant carts under the old "Skjuts," or posting system.

The aggregate number of mil traversed by the mail was estimated as follows:—

On highways	378,000
By railway	110,000

To the above must be added the considerable number of mil which the mail may be estimated to have traversed by water, when it is stated that by steam-vessels belonging to private persons only, postal communication was maintained (by means of letter-bags as well as boxes provided on board) with forty different places, and by means of letter-boxes alone, with forty-three other places at which post offices were established.

At the close of the year there were 199 post-offices, inclusive of those connected with the trains on the Western and Southern Trunk Lines, and 156 post-stations; making in all 355 post-offices and stations.

The number of completely organized post-offices and stations in 1868 amounted to 78, and in 1860 had increased to 175.

Parcels as well as letters were received at 113 of the post offices existing in 1864, and local letters were distributed by 48 post offices situated in towns by means of postmen paid by the General Post Office.

The number of officials employed by the Post Office in 1864 was as follows:—

Postmasters	206
Clerks	68
Ditto, supernumerary	258
Superintendents at post stations, &c.	156
Watchmen and others employed at post offices ..	142
Mail guards	268
To the above should be added the officials employed on board the mail packets	69
Total	1,161

The number of letters amounted in 1864 to ..	10,192,400
Of these—	
Inland country letters	7,664,900
Local letters	442,100

Loose letters put into a post office, and from thence forwarded to the person addressed in his own bag	544,900
Free letters	518,500
Foreign letters	1,022,000
Total..	10,192,400

Of the above letters 156,484 were forwarded under "open recommendation,"* and 386,076 under "sealed recommendation."† The letters forwarded under "open recommendation" are estimated to have contained about 274,616,000 riksdalers, or 15,256,444*l.* 8*s.* 10½*d.* About 34,000 registered letters were supposed to have been forwarded.‡

Post stamps had been employed during the year in franking letters, &c. to the value of 1,410,138 riksdalers, or 78,341*l.*

The increase of letters during the last few years may be seen by the following Table; the number of country letters paying postage transmitted by mail in—

1864 ..	7,664,900	1861 ..	6,180,600
1863 ..	6,937,600	1860 ..	5,903,600
1862 ..	6,445,300	1859 ..	5,673,500

The number of newspapers and periodicals ordered through the various post offices in 1864 was as follows:—

Swedish newspapers ..	183,132	French newspapers ..	879
Norwegian ditto ..	380	English ditto ..	1,032
Danish ditto ..	2,414	Dutch, &c., ditto ..	6
Finnish ditto ..	303		
German ditto ..	2,238	Total ..	190,453

The total number of newspapers and periodicals thus ordered had previously amounted to in—

In 1863	167,693
1862	157,439

* Under "open recommendation" the money contained is shown to the acting official, who incloses it under the seal of the Post Office, which then becomes responsible for the safe delivery of the letter.

† Under "sealed recommendation" it is not necessary to show the contents of the letter, but the Post Office does not assume responsibility for a larger sum than 150 riksdalers.

‡ A "registered letter" is simply registered for greater security, but the Post Office does not assume any responsibility for its contents.

The following statement shows the reduction of postage during the last 20 years :—

Twenty years since the postage for a letter was—

	s.	d.		d.
To Denmark	0	$10\frac{3}{4}$	now is	$2\frac{1}{4}$
Hamburgh	1	$2\frac{3}{4}$	„	$5\frac{1}{4}$
Prussia	1	$4\frac{1}{2}$	„	$5\frac{1}{4}$
	1	$8\frac{1}{2}$		
France..	1	$8\frac{1}{2}$	„	8
England	3	1	„	$8\frac{1}{2}$

The ordinary revenue and expenditure of the Post Office during the five years ending 1864 is stated in round figures at—

	Revenue.				Expenditure.			
	Riksdalers.	£	s.	d.	Riksdalers.	£	s.	d.
1860	1,695.100	94,172	4	$7\frac{1}{2}$	1.558,300	86.572	4	$5\frac{1}{4}$
1861	1,772,300	98,461	2	$2\frac{3}{4}$	1,680 500	93,361	2	$2\frac{1}{2}$
1862	1,926.000	107,000	0	0	1,923.900	106,883	6	8
1863	2,128,809	118,266	13	4	2,109,500	117,194	8	$10\frac{1}{2}$
1864	2,279,200	126,622	4	$5\frac{1}{4}$	2,278,900	126,605	11	$1\frac{1}{4}$

Customs Receipts, &c., 1863, 1864, 1865.

From the Report of the Commissioners of Customs it appears that the receipts for the year 1863 from those sources, the revenue of which falls to the Treasury (such as import and export duties, tonnages dues, bond and transit dues, revenue from confiscations, fines, salvage, abandoned goods, goods unclaimed for a year and a night, extra receipts, and cheques on definite accounts), were as follfollows :—

	Rds.	öre.	Rds.	öre.
Duty on imports and exports	14,809,403	46		
Other receipts	553,982	57		
			15,363,386	3
Lighthouses and beacon dues	568,550	96		
Checks on accounts	132	8		
			568,683	4
Gross total			15,932,069	7
When from the above was deducted—				
Drawbacks amounting to	98,675	59		
Compensation to the Convoy Commission for repealed dues to the Mercantile and Shipping Fund	750,000	0		

	Rds. öre.	Rds. öre.
Compensation for town dues ..	1,676,816 80	
Expenses of management in the Customs Department (which, exclusive of 17,056 rd. 53 ö., the commission for collecting lighthouse and beacon dues, exceeded by 16,839 rd. 52 ö. the sum estimated in the Budget for the year)	1,871,744 60	
		3,797,236 99
There remained the net revenue of the Treasury		12,134,832 8
Of which Customs duties	11,583,725 70	
Lighthouse and beacon dues	551,106 32	
The Diet had estimated the net receipts of the year—		
On Customs duties	9,300,000 0	
On lighthouse and beacon dues ..	240,000 0	
		9,540,000 0
So that there was a surplus on—		
Customs duties	2,283,725 70	
Lighthouse and beacon dues ..	311,116 38	
		2,594,832 8
Dues falling to miscellaneous purposes, inclusive of those granted to the fund for manufactural industry and the hospital fees, amounted to the gross sum of 184 rd. 2 ö.		
The total receipts collected in 1863 were consequently—		
Monies falling due to the Treasury .	15,932,069 7	
Monies falling to miscellaneous purposes	184 7	
		15,932,253 9
When from the above was deducted—		
The above-named compensation for dues to the Mercantile and Shipping Fund and for town dues	1,826,816 80	
Drawbacks on the monies falling to the Treasury	98,675 59	
And on monies falling to miscellaneous purposes	13 43	
		1,925,505 82
There remained		14,006,747 27
When further was deducted expenses connected with monies falling to the Treasury		1,871,744 60
The clear receipts for the year were		12,135,002 67
The clear receipts for 1862 were		11,127,347 24
So that the clear receipts of 1863 exceeded those of the previous year by		1,007,655 43

Customs Receipts, 1864.

From the Report of the Commissioners of the Customs Department it appears that the receipts for the year 1864 from those sources the revenue of which falls to the Treasury (such as import and export duties, tonnage dues, bond and transit dues, revenue from confiscations, fines, salvage, abandoned goods, goods unclaimed for a year and a night, extra receipts, and cheques on defective accounts) were as follows, &c. :—

	Rds. öre.	Rds. öre.
Duty on imports and exports	13,321,293 22	
Other receipts	540,566 66	
		13,861,859 88
Lighthouse and beacon dues	568,416 38	
Checks on accounts	803 41	
		569,219 79
Total gross receipts		14,431,079 67
When from the above was deducted—		
Deductions amounting to	147,596 58	
Compensation to the Convoy Commission for repealed dues to the Mercantile and Shipping Fund	750,000 0	
Compensation for town dues ..	1,003,260 11	
Compension to the Pension Fund of the Mercantile Marine	24,000 0	
Expenses of management in the Customs Department, which (exclusive of 17,052 rd. 93 ö., the commission for collecting lighthouse and beacon dues) was less by 47,786 rd. 93 ö. than the sum estimated in the Budget for the year	1,897,154 11	
		3,822,010 80
There remained		10,609,068 87
The net revenue of the Treasury—		
Of which Customs dues	10,057,694 11	
Light house and beacon dues ..	551,374 76	
The Diet had estimated the net receipts for the year—		
On Customs dues at	13,500,000 0	
Lighthouse and beacon dues ..	350,000 0	
		13,850,000 0
So that the gross receipts for the year of monies falling to the Treasury being—		
Of Customs duties	13,861,859 88	
Of lighthouse and beacon dues ..	569,219 79	
		14,431,079 67

	Rds.	öre.	Rds.	öre.
There remained a surplus—				
On Customs duties of	361,859	88		
On lighthouse and beacon dues of ..	219,219	79		
			581,079	67
The collection of monies falling to miscellaneous purpose, inclusive of the grants to the Fund for promoting Manufactures and the Hospital fees, amounted to the gross sum of			176	62
The total receipts for 1864 were consequently—				
Monies falling to the Treasury ..	14,431,079	67		
Monies falling to miscellaneous purposes	176	62		
			14,431,256	29
When from the above was deducted the before-named compensations for dues to the Mercantile and Shipping Fund, Town dues, and the Pension Fund of the Mercantile Marine	1,777,260	11		
Deductions on monies falling to the Treasury	147,596	58		
And on monies falling to miscellaneous purposes	10	77		
			1,924,867	46
There remained			12,506,388	83
When further were deducted the expenses connected with monies falling to the Treasury			1,897,154	11
The clear receipts for the year were			10,609.234	72
The clear receipts for 1863 were			12,135,002	67
So that the receipts for 1864 were less than those for the previous year by			1,525,767	95

Customs Receipts at Gothenburg, 1864.

The Customs receipts at Gothenburg in 1864 were so follows:—

	Riksdalers	öre.
Import duties	4,591,007	35
Bond dues	28,095	38
Transit dues	174	47
Tonnage dues	43,791	23
Lighthouse and beacon dues	53,512	24
Making a total of	4,716,580	67

	Rds. öre.
Export duties—	
Bond dues	520 16
Tonnage dues	30,089 94
Lighthouse and beacon dues	57,945 96
Making a total of	88,556 6
The total Customs receipts therefore amounted to	4,805,136 73 (or 266,952*l.*)

The total receipts in the four previous years were as follows:—

	Riksdalers.	£	s.	d.
1860	4,202,705 =	233,483	12	2½
1861	4,770,982	265,054	11	1½
1862	4,243,465	235,748	1	1¼
1863	4,601,573	257,309	12	2½

Customs Receipts in Stockholm, 1865.

The Customs receipts at the port of Stockholm for the year ending the 30th September, 1865, were as follows:—

	Previous Months.	September.	Total.
For 1864.	Rds. öre	Rds. öre	Rds. öre
Import and export duties ..	529,396 24	..	529,699 45
Lighthouse and beacon dues	303 21	..	
For 1865.			
Import and export duties ..	2,069,669 91	546,567 50	2,685,488 38
Lighthouse and beacon dues	58,777 68	10,473 29	
Total	2,658,147 4	557,040 79	3,215,187 83

	Riksdalers öre.
The receipts in 1864, to the end of September, were .	2,872,059 17
The corresponding receipts for 1865, as stated above, were	2,685,488 38
Consequently the receipts of 1865, to the 30th of September, were less than those of the corresponding term in 1864 by	186,570 79

Customs Receipts in the Kingdom in the Year 1865.

	Riksdalers öre.	£ s. d.
The Customs receipts delivered into the Treasury for the year ending 30th September, 1864, amounted to.	5,200,000 0	288,888 17 9¼
And for the year ending 30th September, 1865, to	5,850,688 90	325,038 5 5
Showing an increase during the first year of the operations of the new Treaty with France of	650,685 40	36,149 3 4

Results of Amendments in Tariff relating to Chinaware.

In the last five years during which the importation of painted and printed delfware was prohibited the average annual value of the Swedish chinaware manufactured was 486,000 riksdalers.

In the year 1853 the prohibition was exchanged to a duty of 22 öre per skalpund on plates, and of 30 öre per skalpund on other articles. During the five years in which this duty was in force the average annual value of Swedish chinaware manufactured was 674,000 riksdalers.

In the year 1858, the duty on plates was reduced to 10 öre, and on other articles to 18 öre per skalpund; at the same time the duty on white delfware was reduced from 7 öre to 5 öre per skalpund on plates, and from 18 öre to 10 öre per skalpund on other articles. On white porcelain the duty was reduced from 30 öre to 20 öre per skalpund, and on painted or gilt porcelain from 45 öre to 40 öre per skalpund.

During the seven years 1858–64 the average annual value of Swedish chinaware manufactured was 877,000 riksdalers.

For the year 1864 the value of chinaware manufactured in Sweden was stated at 958,000 riksdalers.

Results of Amendments in the Tariff relating to Cloth.

In the last five years during which the importation of cloth and certain other woollen stuffs was prohibited the average annual value of cloth manufactured in Sweden was 7,942,000 riksdalers.

In the year 1856 the prohibition was exchanged to a duty of 2 riksdalers and 66 öre per skalpund for pulled woollen stuffs, and for other kinds in the same proportion.

The five years during which these duties were in force the average annual value of cloth manufactured in Sweden was 10,663,000 riksdalers.

In the year 1858 the duty was reduced to 1 riksdaler and 50 öre per skalpund.

During the six years 1858–63 the average annual value of cloth manufactured in Sweden was 925,000 riksdalers.

The circumstance that this branch of manufacture has not increased in later years, during which time most branches of Swedish manufacture have progressively increased, must be chiefly attributed to the fact that a duty of 1 riksdaler and 50 öre per skalpund obstructs the lawful importation of heavy woollen goods, and thus injures home industry in the same manner as a prohibition.

(Signed) FRED. HAMILTON.

Brazil.

Report by Mr. Pakenham, Her Majesty's Secretary of Legation, on the Finance of Brazil.

Rio de Janeiro, January 30, 1867.

The income of the Empire of Brazil is estimated at 5,500,000*l.*, and is derived from the following sources :—

	£
Import duties (foreign salt excepted)	2,990,416
Re-exportation duties	1,803
Duty on foreign goods by coasters	33,439
Duty on national goods by coasters	9,010
Storage	29,849
Harbour and anchorage dues	18,983
15 per cent. on nationalization of foreign vessels ..	2,947
5 per cent. on purchase or sale of vessels ..	4,208
15 per cent. on exportation of Brazil wood ..	240
Difference on export duties raised from 5 to 7 per cent.	878,342
Ditto, 2 per cent. raised to 7	820
Ditto, 1 per cent. on gold in bars	41
½ per cent. on diamonds	1,922
Provincial duties	14,320
Internal, from railroad shares	7,663
Income of General Post Office	38,051
Ditto, Don Pedro II Railroad	192,500
Ditto, Imperial Mint	786
Ditto, stamping silver	4,334
Ditto, national printing office	14,665
"Diario Official" (Gazette)	770
House of correction	14,389
Institute for Blind Children	278
Gunpowder manufactory	573
Telegraph	242
Arsenals	11,000
National property	6,578
Diamond mines	6,050
Excise on landed property	226,527
Tax on commissions of officers of National Guard ..	6,526
Tax on diplomas of M.D. and LL.D.	9,691
Stamp duty on bills, &c.	233,000
Emoluments	18,719
Taxes on brokers, auctioneers, and Custom-house agents	6,085
Taxes on shops, money changers, &c.	103,317

	£
Taxes on dealing in furniture, cloths, &c., manufactured abroad	2,846
12 per cent. on lotteries	86,405
Ditto on prizes therein	35,822
Ditto on slaves	30,213
Sale of public lands	3,345
Collection of active debt	34,239
Municipal.	
Income of Don Pedro II College	8,035
Concession for water supply (pipes)	3,028
$\frac{1}{10}$th on the amount of letting or leasing houses	114,500
Emoluments of police	2,245
Tax on spirits	16,036
Cattle for consumption (on)	15,471
Tax on slaves	17,653
Legacy and succession duty	32,139
Storing of spirits	3,835
Extraordinaries.	
Indemnizations	38,094
Interest on national capital	11,758
Lotteries for sanitary improvement of the Empire, &c.	4,440
Produce of 1 per cent. on these lotteries	4,920
Sale of national property	8,554
Eventual income	80,155
Deposits.	
Loan from Orphan Fund	157,780
Property of persons deceased or absent	23,429
Unclaimed prizes in lotteries	4,286
Sundry deposits	176,597
	5,803,909

Minister of Finance's Budget for 1867-68.

	£
Total Expenditure of the Empire fixed at	6,752,298
And distributed among the 7 Ministerial Offices as follows :—	
The Minister of the Empire	505,572
(at the rate of exchange of 24*d.* to the milreis) of which—	
To the Emperor	80,000
To the Empress	9,600
To Donna Izabel, Princess Imperial (Countesse d'Eu)	15,000
To Donna Leopoldina (Duchesse de Saxe)	15,000
To Countess D'Aguilar (Emperor's sister)	10,200
To Empress Dowager	5,000
Public instruction, primary and secondary, at Rio	34,140
Senate	27,565
Chamber of Deputies	37,860
Deputies' travelling expenses	5,425
Council of State	4,800

	£
Home Office	16,722
Presidencies of Provinces	24.109
Public Worship	109.326
Episcopal seminaries..	12 000
Different branches of the law	16,960
Ditto, ditto medicine..	20,201
Academy of Fine Arts	3,756
Commercial Institute	1,460
Blind Children's Institute	4,120
Deaf and Dumb Institute	1,850
Public Archives	1,592
Public Library	1,504
National Museum	890
Scientific explorations	800
Historical and Geographical Institute	700
Imperial Academy of Medicine	200
Vaccination Institute	1,508
Inspectors of Public Health at various ports of the Empire	2,320
Leper hospitals	900
Public sanitary improvements	13,330
Special works of Ministry of the Empire ..	20,000
Total	498,848

And the remainder to sundries.

(Spent in 1864–65, £489,945.)

The Minister of Justice	338,919
Distributed thus—	
Office of Secretary of State	16,149
Supreme Tribunal of Justice	10,570
Different branches thereof	30,269
Tribunal of Commerce	4,720
Judges of First Instance	95,742
Secret expenses	14,000
Police force	39,563
National Guards	16,762
Maintenance of prisoners	9,992
Metropolitan police ("urbanos")	85,677
House of correction	10,000
Works connected therewith	2,874
Total	296,318

And remainder to sundries.

(Spent in 1864–65, £289,066.)

Ministry for Foreign Affairs	90,791
Foreign Office	13,744
Legations and Consulates abroad, at the rate of 27*d.* to the milreis	50,087
Employés en disponabilité	1,333
Extraordinaries abroad	4,193
Ditto at home	2,500

	£
Outfits, &c.	6,000
Commissions for claims, &c.	8,940
Difference of exchanges, &c.	4,000
Total	90,797
Remainder for sundries.	

(Spent in 1864–65, £409,893.)

Ministry of Marine	819,552
Admiralty Office	10,201
Counsel to Admiralty	3,800
Supreme Military Council	992
Departments of Admiralty	13,892
Naval officers	57,650
Seamen	28,787
Marines	3,182
Arsenals	158,585
Commands of ports	2,856
Naval hospitals	17,757
Lighthouses	9,546
Naval school and other scientific institutions ..	13.622
Building materials	224,000
Naval force	158,892
Naval works of various kinds	50,400
Extraordinary expenses	25,000
Total	779,162
Remainder for sundries.	

(Spent in 1864–65, £1,298,566.)

Ministry of War	1,508,153
Thus distributed—	
War Office	21,411
Supreme Military Council	4,143
Pay Office	3,306
Military archives and lithographic office	2,597
Military instruction	33,571
Military arsenals and stores	284,364
Inspectors, &c., of hospitals and health	72,812
The army	766,081
Military commissions	9,530
Extra pay	20,000
Manufactures (military)	18,700
Military stations	37,663
Military works	60,000
Total	1,314,178
Remainder for sundries.	

N.B.—It is estimated that 1,117,258*l.* in gold (mostly sovereigns) and 3,136*l.* in silver (total 1,120,394*l.*) were sent down to the River Plate for war expenses in 1866.

(Spent in 1864–65, £2,362,517.)

	£
Ministry of Finance	2,297,724
Interest, amortization, and other expenses of the External funded debt, at 27*d.* to 1,000 reis ..	796,596
Ditto, ditto, on Internal funded debt	573,884
Ditto, ditto, of the Inscribed debt before the emission of shares, and payment of same for sums under 40*l.*	20,000
Amortization Office	5,890
Pensioners, &c.	130,930
Employés of extinct Departments	1,827
Imperial and National Treasury	123,843
Offices for receiving and collecting Taxes, Customs, &c.	338,211
The Mint	13,330
Administration of Treasury Stamp Office ..	4,254
National printing office and "Diario Official" (like "London Gazette")	17,000
Administration of national property	20,051
Premiums, discounts on Custom-house bills, commissions, brokerages, &c.	40,000
Interest on the loan from the Orphan Fund ..	30,000
Sundry works	100,000
Advance of 2 per cent., provincial guarantee to Don Pedro II Railroad	Not stated.
Advance to Bahia Railroad	32,000
Advance to Pernambuco Railroad	21,333
Total	2,269, 49
Remainder for sundries.	
Ministry of Agriculture, Commerce, and Public Works	1,191,576
Office (Board of Trade)	15,000
Auxiliary Society of National Industry	600
Improvement of agriculture	10,000
Discovering and exploring mines	500
Botanical garden near Rio	1,200
Fire brigade	6,441
Public illumination	57,180
Guarantee of interest to different railroads ..	248,888
Don Pedro II Railroad	200,000
Public works, general and provincial	60,000
Ditto, municipal	62,962
Sewerage of the capital	87,612
Telegraphs	24,928
Public land and colonization	62,118
Civilization of Indians	8,000
Subvention of Steam Navigation Company ..	268,700
General Post Office	75,244
Total	1,189,373
Remainder for sundries.	

Estimated Total Debt of the Brazilian Empire, 31st December, 1866.

	£
Foreign debt	14,910,713
Internal funded debt of 4, 5, and 6 per cent. stock .	10,439,000
Government notes in circulation	3,325,582
Treasury acceptances at 2, 4, and 6 months ..	4,010,000
Debt due to "Bank of Brazil," to be paid for in a further issue of Government notes, as authorized by the Chambers, to replace Bank issue of same amount	4,183,700
Debt due to Orphan Fund and deposits	1,250,000
Estimated debt of Brazil in 1866	38,118,995
Ditto ditto in 1865	30,762,289
Increase in 1866	7,356,706

This increase will be augmented when the large sums due on account of the present war with Paraguay are paid.

	£
In July 1866 Treasury acceptances amounted to ..	3,499,600
In October 1866 „ „ ..	4,470 000
In December 1866 „ „ ..	4,010,000
In 1865 these acceptances amounted only to ..	3,500,000

Internal Funded Debt.

	£
6 per cent. stock	10,658,640
5 per cent. stock	139.120
4 per cent. stock	11,960
	10,809,720

Redeemed Ditto.

6 per cent. stock	367,200
5 per cent. stock	16,120
	383,320
Total issue till December 31, 1866 ..	10,426,400
Ditto, December 31, 1865	8,442,300
Increase in 1866	1,984,100

Issued as follows:—

	£	£	
100,613 shares of	100 each, at 6 per cent.	10,061,300	Quoted in
885 „	80 „ „	70,800	Dec. 1866
1,591 „	60 „ „	95,460	at 89 to
1,597 „	40 „ „	63,880	90.

£				£	
697	shares of 100	each	at 5 per cent.	69 700	Quoted in
487	„ 60	„	„	29.220	Dec. 1866
602	„ 40	„	„	24,080	at 87.
113	„ 100	„	at 4 per cent.	11,300	
11	„ 60	„	„	660	
				10,426,400	

The stock is held as follows:—

	4 per cent.	5 per cent.	6 per cent.
	£	£	£
Brazil	380	60,500	7,458,340
Great Britain	..	4,940	451,040
Sundry nations	..	20,020	205.880
Charitable establishments, banks, &c.	11,580	37,460	2.176,180

The last Brazilian loan, contracted in London, 12th September, 1865, by the Baron Penedo, through Messrs. N. M. Rothschilds and Sons, for 5,000,000*l.* real capital (nominal, 6,963,613, 9*s.* 2*d.*) at 74 per cent.

Expenses of contracting this loan—

	£	s.	d.
2 per cent., commission	100.000	0	0
½ per cent., brokerage*	34,484	18	6
⅛ per cent., stamp duty	8,681	13	5
$\frac{1}{16}$ per cent., stamp duty (Amsterdam) ..	4,348	8	10
	147,515	0	9

A good firm in London is said to have offered 83½ per cent., a much more advantageous rate for the Brazilian Government, but the offer was declined.

By the Ministerial Budget for 1867 an idea may be formed of how matters stand. The amounts are calculated at 24*d.* per milreis, though 23*d.* is the present rate. By the Foreign Office allowance the Brazilian Legations abroad are paid at the rate of 27*d.*, which Government considers to be at par. One of the reasons assigned for the fall in the exchange is the very heavy rain which has prevailed here during some months, preventing a great quantity of produce, such as coffee, &c., being forwarded for exportation.

(Signed) J. PAKENHAM.

* The brokerage should, I believe, have been rather larger, but these are the official figures.

Netherlands.

Concise Report by Mr. Ward, Her Majesty's Secretary of Legation, on Finance, Commerce, &c.

The Hague, February 15, 1867.

IN consequence of the new elections for the Second Chamber of the States General, sufficient time was not afforded for the usual discussion on the estimate before the end of the year 1866. With the exception therefore of the expenditure for the Royal Household, and for the charges of the National Debt, the remainder of the money voted for the service of the financial year 1866-67 was in the nature of a vote of credit for four months on the amount as estimated. The result of the debate which will take place on the meeting of the Chambers in the present month may be expected to modify the estimates, which I now subjoin:—

	Florins	c.
1. Royal household	750,000	0
2. Superior Departments of State	581,207	0
3. Foreign Department	507.193	0
4A. Justice	2,860,186	0
4B. Catholic Worship	679,347	0
5. Interior, Ordinary	7,844,523	39
„ Extraordinary	12.417,180	0
6. Marine	8,367,488	0
7A. National Debt: viz., Interest and Annuities	27,637,376	99
„ Reduction of Debt ..	1,206,000	0
7B. Finance Department: Ordinary ..	6,114,976	42
„ Extraordinary ..	6,490,000	0
7C. Protestant Worship	1,741,278	50
8. War	12,272,291	0
9. Colonies: Ordinary	1,947,400	71·5
„ Extraordinary	392,438	70·5
10. Unforeseen expenses	50,000	0
	92,858,886	72

Equal to 7,738,240*l.*

	Florins	c.
Total Ordinary	73,559,268	1·5
„ Extraordinary	19,299,618	70·5
	92,858,886	72

The extraordinary expenditure for the Interior consists of the appropriations for railways and for other public works; for the Finance Department, of revenue ceded to the Communes; and for the Colonial Department, of expenditure on account of the abolition of slavery in the West Indies.

WAYS AND MEANS.

	Florins	c.
Land tax	9,930,887	0
Assessed taxes (personal)	7,644,000	0
„ (licenses)	3,238,400	0
Excise	24.035,500	0
Indirect taxes	13,317,000	0
Imports and exports	4,360,764	0
Gold and silver plate dues	261,500	0
National lands, &c.	1,315,000	0
Post Office	2,300,000	0
Telegraphs	471,600	0
Lottery	410,000	0
Shooting and fishing licenses	105,000	0
Pilotage	700,000	0
Mining dues	966	0
Miscellaneous	1,753,953	0
Payment by Belgium	400,000	0
Railways	200,000	0
Total ordinary revenue	70,444,570	0

Equal to 5,870,397*l.*

EXTRAORDINARY.

	Florins	c.
Colonial surplus	16,231,789	63
Share of compensation money from Japan	1,000,875	0
Balance from the service of 1865	10,900,000	0
	28,132,664	63

	Florins	c.
Total Ordinary	70,444,570	0
„ Extraordinary	28,132,664	63
	98,577,234	63

Equal to 8,214,779*l.*

As the accounts of the financial year 1865-66 will not be closed until the end of 1867, according to the usual practice in this country, there are no data published which will make it practicable to give such a balance sheet of the income and expenditure of the past year as is contemplated in Lord Stanley's circular despatch of the 26th November last. The general results which are subjoined are extracted

from the statements of the Minister of Finance made to the Chambers in presenting and defending his budget.

RECEIPTS.

	Florins	c.
Ordinary income from taxes, &c.	69,028,825	91·5
Miscellaneous	2,363,473	13
Contributions from the revenues of India ..	23,500,000	0
Last instalment of the purchase money of Scheldt dues	3,807,253	34
Contributions from the balances of 1863 and 1864	12,440,130	59·5
	111,141,682	98

Equal to 9,261,807*l.*

EXPENDITURE.

	Florins	c.
Interest of national debt	27,744,236	5
Reduction of national debt	7,965,253	34
For the construction of railways	13,500,000	0
All other expenditure	58,426,018	14·5
	107,635,507	53·5

Equal to 8,969,625*l.*

The estimates for 1866-67, as I have given them above will shew in detail from what sources the income is derived. During 1866 supplemental votes have been taken for the service of the financial year.

	Florins	c.
On account of cattle plague	1,900,000	0
For public works	183,334	0
Loan for enabling the Company working the State railways to carry on their operations .	2,500,000	0
Share of the expenses of the trials of refining sugar	86,068	19
Purchase and alteration of small arms ..	137,100	0
	4,806,502	19

Equal to 400,542*l.*

From the sum appropriated for the extraordinary reduction of the national debt for the service of the same year 6,550,000 florins were withdrawn to meet the expenses unprovided for on presenting the budget. The fluctuation, accordingly, of the prices of Netherland stock has been unusually great during the year 1866, being

	Highest.	Lowest.
2½ Per Cents.	61 5/16 in February .	53 3/16 in December.
3 Per Cents.	71 1/16 in February .	61 in May.
4 Per Cents.	95⅝ in January ..	81¾ in June.

The result of the imports and exports of some of the principal articles chiefly by or to Great Britain during the year 1866 is herewith noted, where the difference as compared with 1865, is considerable.

IMPORTS.

		1866.	1865
Machinery	Florins	7,588,000	5,615,000
Ditto, for home consumption ..	„	4,075,000	3,964,000
Cotton yarn*	Kilos.	12,470,000	8,530.000
Copper, rough	„	3,132,000	4,685,000
Cotton tissues, plain	Florins	9,828,000	5,174,000
Ditto, for home consumption ..	„	5,836,000	3,534,000
Ditto, dyed or prints	„	17,133.000	15,538,000
Ditto, for home consumption ..	„	6,547.000	5,930,000

EXPORTS.

		1866.	1865.
Butter	Kilos.	18,396,000	17,770,000
Cheese, value	Florins	31,096,000	32,298,000
Rags	Kilos.	2,070,000	1,387,000
Ditto, to England	„	1,490.000	566,000
Paper	Florins	2,473,000	1,772,000
Ditto, of home manufacture ..	„	1,102,000	867,000
Horned cattle	Head	46,790	196,790
Pigs	„	40,720	77,580
Sheep and lambs	„	95,200	397,940
Sugar, raw	Kilos.	16,839,000	28,220,000
„ refined	„	84,668,000	75,650,000
Flax	„	10,746,000	22,568,000
Meat, not enumerated . ..	„	3,703,000	1,269,000
Mutton and pork, fresh ..	„	5,435,000	112,000

Tables are annexed shewing the ordinary revenue for 1866; comparative statement of the Netherland Mercantile Marine in 1865 and 1866; and statement of vessels cleared inwards and outwards from 1831 to 1866 inclusive.

The numbers of vessels furnished with Netherland registers for the first time in 1865 and 1866, were

1865.

	Vessels.	Tons.
Netherlands built	88	9,911
Foreign built	10	2,587
Total	98	12,498

* The quantity retained for home consumption cannot be ascertained from the returns, as the article is duty free.

1866.

	Vessels.	Tons.
Netherlands built . ..	94	12,468
Foreign built	7	1,034
Total	101	13,502

The usual reports respecting the harvest have not yet been published for all the Provinces. In South Holland the crops of wheat, rye, barley, oats, peas, and beans, koobyaad and madder have turned out well. Potatoes have been visited by the disease, are generally small in size, and good sorts unusually high in price. Flax has been a variable crop, but generally unsatisfactory. The meadows and pastures have been unusually good, and hay was saved in abundant quantity. On account of excessive rains the cattle could not, however, remain long in the pastures.

(Signed) WILLIAM WARD.

VIEW of the produce of the Ordinary Sources of Revenue (Capital and Percentages) for the month of December, Separately, and in conjunction with the preceding months of 1866, compared with the Estimate for that year, and the Produce of similar periods of 1865.

Denomination of Revenue.	Amount of the Estimate.	$\frac{1}{12}$ of the Estimate.	Produce for the Month of December 1866.	Produce for the Month of December 1865.	$\frac{12}{12}$ of the Estimate.	Produce for the twelve months of 1866.	Produce for the twelve months of 1865.
	Francs c.	Francs c.	Francs c.	Francs c.	Francs c.	Francs c.	Francs c.
Direct Taxes—							
Land tax	9,772,057 0	814,338 8	319,151 97·5	367,658 57·5	9,772,057 0	9,845,151 11·5	10,506,861 76
Personal tax	7,596,000 0	633,000 0	566,165 48	442,656 49	7,956,000 0	7,378,289 64	7,617,145 67
Licenses	3,174,400 0	264,533 34	224,938 71	224,214 68·5	3,174,400 0	3,223,364 64·5	3,269,525 21
Mine dues	885 50	73 79	60 17	..	885 50	968 20	887 91·5
Total	20,543,342 50	1,711,945 21	1,110,316 33·5	1,034,529 75	20,543,342 50	20,447,773 60	21,394,420 55·5
Imports and exports—							
Import and export dues ..	3,840,000 0	320,000 0	286,676 39	270,860 97	3,840,000 0	4,230,317 79	4,045,034 87
Lights and beacon dues ..	350,000 0	29,166 66	25,632 74·5	20,701 21·5	350,000 0	357,738 97	353,427 86
Stamps..	10,350 0	862 50	749 28	731 64	10,350 0	11,467 60	11,465 93
Total	4,200,350 0	350,029 16	313,058 41·5	292,293 82·5	4,200,350 0	4,599,524 36	4,409,928 66
Excise—							
Sugar	3,500,000 0	291,666 67	662,288 97·5	442,667 1·5	3,500,000 0	3,500,000 0	2,050,653 55
Wine	1,848,000 0	154,000 0	156,600 90·5	147.468 38·5	1,848,000 0	1,855,094 59·5	1,427,215 93
Spirits	11,380,000 0	1,053,750 0	1,272,429 24	875,385 4	11,380,000 0	12,277,265 43·5	9,214,015 44
Salt	2,670,000 0	222,500 0	260,178 94·5	266,902 87	2,670,000 0	2,865,232 47·5	2,772,610 84·5
Soap	1,260,000 0	105,000 0	98,456 47	97,513 4	1,260,000 0	1,310,084 29	1,353,326 82
Beer and vinegar.. ..	570,000 0	47,500 0	47,184 48	59,928 12	570,000 0	635,229 53	658,527 59
Butchers' meat	1,440,000 0	120,000 0	486,535 52	170,010 17	1,440,000 0	1,861,350 62·5	1,650,913 97·5
Total	22,668,000 0	1,994,416 67	2,683,674 53·5	2,059,874 64	22,668,000 0	24,304,256 95	19,127,264 15

Denomination of Revenue.	Amount of the Estimate.	$\frac{1}{12}$ of the Estimate.	Produce of the Month of December 1866.	Produce for the Month of December 1865.	$\frac{12}{12}$ of the Estimate.	Produce for the twelve months of 1866.	Produce for the twelve months of 1865.
	Francs c.	Francs c.	Francs c.	Francs c.	Francs c.	Francs c.	Francs c.
Standard and tax on articles of gold and silver—							
Tax	260,000 0	21,666 67	14,533 98·5	16,961 6·5	260,000 0	255,505 88	281,818 36
Assay dues	1,500 0	125 0	96 23·5	85 29·5	1,500 0	1,393 76	1,356 11
Total	261,500 0	21,791 67	14,630 22	17,046 36	261,500 0	256,899 64	283,174 47
Indirect taxes—							
Stamps..	2,139,000 0	178,250 0	213,014 55·5	212,797 35·5	2,139,000 0	2,541,176 77	2,281,388 79·5
Registation dues.. ..	6,486,000 0	540,500 0	530,591 2·5	629,698 55	6,486,000 0	6,294,240 37	6,794,306 3·5
Mortgage dues	552,000 0	46,000 0	37,517 84	43,070 93	552,000 0	543,199 19	583,002 41
Duty on successions and inheritances	4,140,000 0	345,000 0	516,871 12	297,431 95	4,140,000 0	4,420,532 15	4,274,803 59·5
Total	13,317,000 0	1,109,750 0	1,297,994 54	1,182,998 78·5	13,317,000 0	13,799,148 48	13,933,500 83·5
Domains	1,299,500 0	108,291 67	127,117 88	123,592 61	1,299,500 0	1,213,464 64·5	1,286,139 23
Postage	2,250,000 0	187,500 0	124,168 81	155,178 65·5	2,250,000 0	2,311,396 58·5	2,256,603 23
State telegraph	447,420 0	37,285 0	34,978 58·5	39,501 91·5	447,420 0	484,653 13·5	509,982 5·5
State lottery	410,000 0	34,166 67	..	138,638 0	410,000 0	413,590 0	413,369 50
Shooting and fishing licenses..	105,000 0	8,750 0	684 0	556 50	105,000 0	117,711 0	113,706 0
Pilotage	700,000 0	58,333 33	53,928 86	53,573 14·5	700,000 0	734,838 62	728,564 73
General Total ..	66,202,112 50	5,622,259 38	5,760,552 18	5,097,784 18·5	66,202,112 50	68,683,257 1·5	64,456,653 41·5

COMPARATIVE STATEMENT of the Netherlands Mercantile Marine on the 31st December, 1865, and 31st December, 1866.

1. Description of Vessel.	2. Existing on the 31st December, 1865.		3. Wrecked, broken-up, &c., as reported in 1866.		4. Difference of admeasurement in Ships remeasured in 1866.		5. New-built ships receiving their first registers in 1866.		6. Vessels once struck off, but brought again into service in 1866.		7. Total vessels existing on the 31st December, 1866.	
					More.	Less.						
	Ships.	Tons.	Ships.	Tons.	Ships.	Tons.	Ships.	Tons.	Ships.	Tons.	Ships.	Tons.
Clippers	15	5,605	..	..	..	..	..	4,493	..	..	15	5,605
Ships	113	49,726	5	2,236	..	..	9	3,090	..	..	117	51,983
Barques	311	94,239	17	4,452	..	18	7	3,280	..	..	301	91,859
Brigs	182	21,938	9	1,121	..	..	29	1,777	..	..	202	24,097
Schooners	398	33,405	17	1,232	..	..	22	..	..	..	403	33,950
Brigantines	2	197	..	..	..	..	..	525	..	..	2	197
Galliots	302	18,677	15	1,070	..	..	9	517	..	..	296	18,132
Koff-boats	439	26,851	38	2,045	..	..	13	154	1	35	414	25,323
	222	6,772	21	596	..	18	5	83	..	..	207	6,347
Smacks	18	666	2	60	..	..	3	..	..	..	19	689
	1	54	..	..	..	..	..	..	..	..	1	54
	4	92	1	23	..	..	..	..	..	..	3	69
	1	66	..	..	..	..	..	..	..	..	1	66
	2	48	..	..	..	..	..	..	..	..	2	48
Luggers	4	70	1	11	..	..	1	15	..	..	4	74
Hookers	25	1,380	..	..	..	..	1	65	..	..	26	1,445
	16	472	..	..	..	..	..	..	..	..	16	472
	92	1,351	..	..	..	..	..	..	..	..	92	1,351
	14	195	1	17	..	..	1	11	..	..	14	189
Steamboats	42	7,534	..	..	66	..	1	492	..	..	43	8,092
Total	2,203	269,338	127	12,863	66	36	101	13,542	1	35	2,178	270,042

STATEMENT of Vessels Cleared Inwards and Outwards from 1831 to 1866 inclusive.

Years.	Inwards.								Years.	Outwards.							
	Under Netherlands Flag.		Under Other Flags.		Total.		In Ballast.			Under Netherlands Flag.		Under Other Flags.		Total.		In Ballast.	
	Ships.	Tons.	Ships.	Tons.	Ships.	Tons.	Ships.	Tons.		Ships.	Tons.	Ships.	Tons.	Ships.	Tons.	Ships.	Tons.
1831 ...	1,995	229,463	2,545	314,933	4,540	544,396	403	25,772	1831 ...	1,091	140,269	1,769	192,389	2,860	332,858	2,109	242,779
1832 ...	2,176	240,704	3,190	390,891	5,366	631,595	383	30,075	1832 ...	1,132	141,435	1,826	206,279	2,958	347,714	2,872	334,003
1833 ...	1,616	159,864	4,093	447,990	5,709	607,854	352	23,225	1833 ...	907	112,587	2,192	241,706	3,099	354,293	2,995	303,560
1834 ...	2,335	261,636	2,984	364,821	5,319	626,457	328	25,592	1834 ...	1,373	186,238	1,854	220,015	3,227	406,253	2,505	266,515
1835 ...	2,367	278,372	2,754	375,664	5,121	654,036	333	20,079	1835 ...	1,446	196,135	1,857	229,361	3,303	425,496	2,204	254,002
1836 ...	2,321	272,609	2,481	345,260	4,802	617,869	373	23,689	1836 ...	1,532	209,741	1,882	240,130	3,414	449,871	1,831	217,490
1837 ...	2,565	306,931	2,822	418,510	4,387	725,441	400	27,664	1837 ...	1,549	223,162	1,977	274,012	3,526	497,174	2,258	273,126
1838 ...	2,494	303,971	3,001	463,671	5,495	767,642	382	24,384	1838 ...	1,716	238,953	1,865	261,778	3,581	500,731	2,359	324,844
1839 ...	2,727	345,807	3,452	594,916	6,179	940,723	466	29,906	1839 ...	1,976	283,150	2,008	312,896	3,984	596,046	2,723	404,649
1840 ...	2,614	341,933	3,255	551,915	5,869	892,848	395	22,958	1840 ...	1,853	271,323	1,789	264,570	3,642	535,793	2,656	388,267
1841 ...	2,608	363,166	3,101	510,727	5,709	873,893	385	20,901	1841 ...	1,869	277,147	1,851	273,542	3,720	550,689	2,469	360,547
1842 ...	2,482	341,719	3,446	588,315	5,928	930,034	398	23,657	1842 ...	1,800	275,638	1,741	263,690	3,541	539,328	2,836	442,081
1843 ...	2,476	363,805	3,377	589,921	5,853	953,726	337	20,089	1843 ...	1,778	279,187	1,666	255,984	3,444	535,171	2,824	432,327
1844 ...	2,565	375,532	2,957	481,687	5,522	857,219	309	19,572	1844 ...	1,942	282,787	1,666	273,277	3,608	556,064	2,279	358,732
1845 ...	2,851	394,596	3,364	518,310	6,215	912,906	356	25,990	1845 ...	2,092	303,544	1,814	270,351	3,906	573,895	2,716	359,418
1846 ...	3,236	437,381	4,316	713,862	7,552	1,151,243	492	58,195	1846 ...	2,008	290,016	2,218	352,819	4,226	642,835	3,829	574,906
1847 ...	3,239	447,275	4,127	667,688	7,366	1,114,963	384	35,762	1847 ...	1,976	282,593	2,174	372,503	4,150	655,096	3,490	522,145
1848 ...	3,062	433,640	2,773	483,044	5,835	916,684	385	66,442	1848 ...	2,189	307,960	1,784	324,926	3,973	632,886	2,751	389,057
1849 ...	3,296	452,812	3,123	557,336	6,419	1,010,148	707	66,416	1849 ...	2,481	339,654	2,079	384,956	4,560	724,610	2,427	370,974
1850 ...	3,117	439,617	3,229	590,056	6,346	1,029,673	613	70,098	1850 ...	2,467	365,008	2,274	407,625	4,741	772,633	2,276	364,231
1851 ...	3,104	460,884	3,345	629,014	6,449	1,089,898	509	74,220	1851 ...	2,168	332,196	2,171	422,672	4,339	754,868	2,943	462,828
1852 ...	3,170	492,185	3,807	689,184	6,977	1,181,369	479	68,359	1852 ...	2,450	375,594	2,308	443,798	4,758	819,392	2,950	495,487
1853 ...	3,118	476,533	3,268	586,744	6,386	1,063,277	491	87,060	1853 ...	2,104	372,026	2,311	438,907	4,415	765,933	2,679	450,013
1854 ...	3,514	548,193	3,614	606,257	7,128	1,154,450	474	89,682	1854 ...	2,290	370,432	2,243	452,353	4,533	822,785	3,291	461,896
1855 ...	3,688	571,566	4,100	731,884	7,788	1,303,450	469	81,093	1855 ...	2,243	391,034	1,999	419,092	4,242	810,126	4,203	633,544
1856 ...	3,611	611,206	4,366	798,481	7,977	1,409,687	537	69,432	1856 ...	2,524	473,554	2,282	478,571	4,806	952,125	3,409	613,143
1857 ...	3,707	646,048	4,585	899,885	8,292	1,545,933	491	67,386	1857 ...	2,538	507,412	2,113	508,545	4,651	1,015,957	4,182	669,324
1858 ...	3,407	621,515	4,966	980,184	8,373	1,601,699	432	62,501	1858 ...	2,223	478,218	2,101	519,593	4,324	997,811	4,572	722,438
1859 ...	3,261	580,390	4,385	876,090	7,646	1,456,480	498	58,292	1859 ...	2,326	438,594	2,244	501,512	4,570	940,106	3,543	571,501
1860 ...	3,699	639,399	4,518	952,020	8,217	1,591,419	497	66,415	1860 ...	2,644	508,611	2,372	553,774	5,016	1,062,385	3,985	674,761
1861 ...	3,831	670,948	4,768	1,009,166	8,599	1,680,114	470	66,237	1861 ...	2,451	489,305	2,208	542,345	4,659	1,031,650	4,472	739,739
1862 ...	3,474	622,701	4,887	1,072,511	8,361	1,695,212	500	62,413	1862 ...	2,425	498,340	2,447	610,019	4,872	1,108,359	4,206	730,922
1863 ...	3,447	616,533	4,466	974,560	7,913	1,591,093	481	71,198	1863 ...	2,386	491,743	2,552	623,087	4,939	1,114,860	3,674	625,507
1864 ...	3,831	687,481	4,164	1,005,112	7,995	1,692,593	566	104,721	1864 ...	2,212	496,454	2,657	718,303	4,869	1,214,757	3,755	627,279
1865 ...	3,270	623,685	4,631	1,132,889	7,901	1,756,574	649	130,644	1865 ...	2,312	498,835	2,785	790,445	5,097	1,289,280	3,691	696,065
1866 ...	3,151	584,288	4,791	1,240,014	7,942	1,824,252	526	89,875	1866 ...	1,989	411,768	2,725	819,988	4,714	1,231,756	3,702	717,307

Italy.

Report by Mr. Herries, Her Majesty's Secretary of Legation, on Finance.

February 18, 1867.

The amended budget for 1867, which was presented to the Italian Chamber of Deputies by the Minister of Finance on the 14th of January, gives the following general results.

Estimated income and expenditure of the Kingdom of Italy, exclusive of the recently-annexed Provinces of Venetia and Mantua:—

	Ordinary.	Extraordinary.	Total.
	Francs c.	Francs. c.	Francs c.
Receipts ..	756,198,818 23	32,701,260 0	788,900,078 23
Expenditure ..	879,168,699 63	91,048,405 18	970,217,104 81
Deficiency ..	122,969,881 40	58,347,145 18	181,317,026 58

Special estimates for those provinces:—

	Ordinary.	Extraordinary.	Total.
	Francs c.	Francs c.	Francs c.
Receipts ..	76,462,991 0	39,347 0	76,502,338 0
Expenditure ..	42,887,554 0	11,414,784 0	54,302,338 0
Surplus . ..	33,575.437 0	..	22,200,000 0
Deficiency ..	..	11,375,437 0	..

Income and expenditure of the whole kingdom, including the Venetian and Mantuan provinces:—

	Ordinary.	Extraordinary.	Total.
	Francs c.	Francs c.	Francs c.
Receipts ..	832,661,809 23	32,740,607 0	865,402,416 23
Expenditure ..	922,056,253 63	102,463,189 18	1,024,519,442 81
Deficiency ..	89,394,444 40	69,722,582 18	159,117,026 58

The subjoined comparative Table shows the difference between the budget of 1867 and that of the previous year:—

INCOME.

	Ordinary.	Extraordinary.	Total.
	Francs c.	Francs c.	Francs c.
Budget of 1866 ..	663,571,196 1	130,522.966 20	794,094,162 21
Budget of 1867 ..	756,198,818 23	32,701,260 0	788,900,078 23
Increase ..	92,627,622 22	..	..
Decrease ..	..	97,821,706 20	5,194,083 98

EXPENDITURE.

	Ordinary.	Extraordinary.	Total.
	Francs c.	Francs c.	Francs c.
Budget of 1866 ..	850,614,178 68	60,492,141 49	911,106,320 17
Budget of 1867 ..	879,168,699 63	91,048,405 18	970,217,104 81
Increase ..	28,554,520 95	30,556,263 69	59,110,784 64

A comprehensive view of the different branches of income and expenditure of the entire kingdom for the year 1867 may be thus given.

ORDINARY REVENUE.

	Francs.	Francs c.
Direct taxes:—		
Land and house Income Carriages and servants Succession Commercial Companies Railway receipts	.. ..	298,225,089 0
Indirect taxes:—		
On foreign trade ..	75,511,100	
On articles of home production	61,680,263	137,191,363 0
Stamps and registration duties	.. ..	67,826,390 0
State monopolies ..	.. ..	174,237,733 0
Lottery	.. ..	60,579,849 0
State property . ..	.. ..	22,681,996 74
Post Office and telegraphs	.. ..	24,850,500 0
Miscellaneous . ..	.. ..	13,021,301 0
Repayments and deductions	.. ..	34,047,587 49
Total ordinary .	.. ..	832,661,809 23
Extraordinary receipts ..	.. ..	32,740,607 0
Grand total ..	.. ..	865,402,416 23

EXPENDITURE.

	Ordinary.	Extraordinary.	Total.
	Francs c.	Francs c.	Francs c.
Army	133,746,040 0	7,164,470 0	140,910,510 0
Navy	31,999,011 84	11,205,655 41	43,204,667 25
Foreign Affairs	4,756,150 0	102,972 19	4,859,112 49
Debt, guarantees, and Civil List	504,022,707 78	16,888,498 60	520,911,206 38
Miscellaneous, Civil Services, and collection of revenue	247,532,344 1	67,101,592 68	314,633,936 69
Total	922,056,253 63	102.463,189 18	1,024,519,442 81

In this statement, however, which has been drawn up as nearly as possible in the manner prescribed by Lord Stanley's Circular of November 26, 1866, it has been necessary to depart from the arrangement of the budget, which is as follows:—

Receipts (exclusive of those of the Venetian and Mantuan Provinces):—

ORDINARY.

	Francs c.
1. Taxes on real property ("Imposta Fondiaria"):—	
Land	87,679.477 0
House	34,746,256 0
2. Income tax:—	
4 per cent. on the net income from real property	25,217,680 0
On income from other sources ("richezza mobile")	97,124,631 0
3. Various taxes:—	
Carriages, public and private, and servants ..	4,326,000 0
4. Taxes on the transfer of property, and on commercial transactions:—	
Succession duty	11,000,000 0
Tax on income from property held in mortmain	5,000,000 0
Tax on commercial and industrial Companies ..	940,000 0
10 per cent. on railway receipts (fast trains) ..	4,600,000 0
Registration duty	29,375,000 0
Mortgage duty	4,000,000 0
Stamps	31,300,000 0
5. Frontier duties:—	
Customs	64,000,000 0
Navigation duties	2,060,000 0
6. Duties on home consumption:—	
Of liquors, meat, flour, rice, oil, butter, sugar; and duties on the making of beer and gaseous waters	54,000,000 0
7. Monopolies:—	
Tobacco	90,000,000 0
Salt	62,000,000 0
Gunpowder	2,900,000 0
8. Lottery	55,100,000 0
9. Revenue of the patrimony of the State:—	
From real property and other portions of the domain	15,528,905 29

	Francs.	c.
Dividends and interest	74,732	71
Miscellaneous	2,600,000	0
10. Revenue of administered property :—		
Corporate property administered by the domain	2,311,579	74
11. Receipts for public services :—		
Post Office	17,000,000	0
Telegraphs	7,850,500	0
Fees of Law Courts	3,060,000	0
Fees on contracts, &c.	371,500	0
Education	2,500,000	0
Passports, &c.	980,000	0
Verification of weights and measures	1,050,000	0
Mint and assay of precious metals	326,000	0
Duty on deposits	1,000	0
Receipts of the State archives	2,751	0
Concessions	1,948,100	0
Hire and sale of stallions	250,000	0
12. Eventual receipts :—		
Fines for criminal offences	900,000	0
Fines for offences against the revenue laws	774,300	0
13. Repayments, &c. :—		
Portion of salaries paid by the State	25,181,907	62
	970.000	0
From prisons	1,509,848	86
From establishments of education	138,655	1
Deductions from salaries and pensions	5,500,000	0
	756,198,818	23

Extraordinary Receipts.

On account of weights and measures	149,561	13
Contributed by Corporations towards roads	18,641	17
Contributed by provinces towards waterworks	79,955	0
Contributed by Corporations towards harbour works	307,749	87
Repayment of advances on account of postal service	730,000	0
Repayment of loan to Neapolitan Communes	888,476	8
Repayment of expenses in compensation for injuries inflicted by Bourbon troops in Sicily	510,000	0
Repayment of advances to Commune of Parma for arms for National Guard	20,000	0
Debt from the Municipality of Naples	60,000	0
Due from the Municipality of Ivrea	10,000	0
Sums paid for enfranchisement of tenures	100,000	0
Payments on account of outlay for improvement of land in the Southern Provinces	764,376	75
Repayment by Communes and Corporations of advances for the construction of the Lavona Railway	1,062,500	0
Reimbursement due from the Roman Railway Company	18,000,000	0
Reimbursement due from the Calabrian and Sicilian Railway Company	10,000,000	0
Total Extraordinary Receipts	32,701,260	0

RECAPITULATION.

	Francs.	c.
Ordinary revenue	756,198,818	23
Extraordinary receipts	32,701,260	0
Total	788,900,078	23

Provinces of Venetia and Mantua.

ORDINARY REVENUE.

1. Real property tax :—		
Land	15,792,834	0
House	5,548,795	0
2. Tax on income derived from other sources :—		
A. Professions and trades	637,185	0
B. Assessed by Provincial Commissioners ..	1,024,074	0
C. Deducted from fixed salaries	126,173	0
3. Taxes on transfer of property and on commercial transactions :—		
Succession duty	3,774,960	0
Tax on income from corporate property ..	517,280	0
Tax on commercial Companies	33,820	0
Tax on railway receipts	135,930	0
Registration duty	145,340	0
Mortgage duty	249,140	0
Stamps	2,753,950	0
Eventual receipts	2,960	0
4. Frontier duties :—		
Customs	9,310,000	0
Navigation duties	141,100	0
5. Duties on home consumption	7,680,263	0
6. Monopolies :—		
Tobacco	11,998,353	0
Salt	7,006,000	0
Gunpowder	333,380	0
7. Lottery	5,479,849	0
8. State property :—		
Income from real property and other branches of the domain	2,004,675	0
Steel-yard	10,072	0
Rent of lands belonging to the Sinking Fund ..	99,941	0
Dividends	2,051	0
Eventual receipts	29,169	0
9. Property administered by the domain	12,027	0
10. Receipts from public services :—		
Fees for copies of documents, &c.	2,720	0
Charges for education	67,901	0
Verification of weights and measures ..	32,099	0
Mint, assay, &c.	160,447	0
Duty on deposits	18,270	0
Concessions	138,464	0
11. Eventual receipts :—		
Penalties inflicted by tribunals	15,196	0
Penalties concerning the collection of the revenue, &c.	422,553	0

	Francs	c.
12. Repayments, &c. :—		
Portions of salaries	224.986	0
	148,283	0
From educational establishments	51,793	0
Deductions from salaries	322,114	0
EXTRAORDINARY RECEIPTS.		
Enfranchisement of tenures	31,692	0
Unclaimed deposits	7,655	0
Total Extraordinary	39,347	0

GENERAL RECAPITULATION.

Ordinary revenue :—			
Exclusive of Venetia and Mantua .	756,198,818	23	
Venetia and Mantua	76,462,991	0	
			832,661,809 23
Extraordinary receipts :—			
Exclusive of Venetia and Mantua .	32,701,260	0	
Venetia and Mantua	39,347	0	
			32,740,607 0
Total income			865,402,416 23

EXPENDITURE.

	General Budget.			Special Budget for Venetia.			Total for the whole Kingdom.		
	Ordinary.	Extraordinary.	Total.	Ordinary.	Extraordinary.	Total.	Ordinary.	Extraordinary.	Total.
1. Finance—	Francs c.	Francs c.	Francs c.	Francs.	Francs.	Francs.	Francs. c.	Francs c.	Francs c.
(1.) Debt Guarantees and Civil List	489,147,816 78	11,112,189 60	500,260,006 38	14,874,891	5,776,309	20,651,200	504,022,707 78	16,888,498 60	520,911,206 38
(2.) Administration and Monopolies	92,698,271 65	7,148,156 0	99,846,427 65	14,991,641	2,999,504	17,991,145	107,689,912 65	10,147,660 0	117,837,572 65
2. Grace, Justice, and Public Worship ...	27,689,008 45	2,978,143 32	30,667,151 77	5,412,169	224,964	5,637,133	33,101,177 45	3,203,107 32	36,304,284 77
3. Foreign Affairs	4,756,150 0	102,972 49	4,859,122 49	...	...	...	4,756,150 0	102,972 49	4,859,122 49
4. Public Instruction	14,280,035 37	254,106 50	14,534,441 87	1,359,526	171,449	1,530,975	15,639,561 37	425,855 50	16,065,416 87
5. Interior	43,569,741 53	5,415,112 61	48,984,854 14	1,519,450	265,000	1,784,450	45,089,191 53	5,680,112 61	50,769,304 14
6. Public Works	37,236,865 18	43,356,008 0	80,592,873 18	4,204,098	1,940,521	6,144,619	41,440,963 18	45,296,529 0	86,737,492 18
7. War	133,746,040 0	7,164,470 0	140,910,510 0	...	...	...	133,746,040 0	7,164,470 0	140,910,510 0
8. Navy	31,999,011 84	11,205,655 41	43,204,667 25	...	...	...	31,999,011 84	11,205,655 41	43,204,667 25
9. Agriculture, Industry, and Commerce	4,045,758 83	2,311,291 25	6,357,050 8	525,779	37,037	562,816	4,571,537 83	2,348,328 25	6,919,866 8
	879,168,699 63	91,048,405 18	970,217,104 81	42,887,554	11,414,784	54,302,338	922,056,253 63	102,463,189 18	1,024,519,442 81

From the financial statement made by the Minister of Finance in the Chamber of Deputies on the 16th of January it appears that the actual payments out of the Treasury during the first eleven months of 1866 up to the 1st of December were as follows:—

	Francs.
For arrears of 1865	34,587,000
For interest of debt, civil list, life annuities, interest on bonds and account current with the Deposit and Loan Fund, railway guarantees, and all the expenses of the administration of the State	865,339,000
For bronze coinage	2,814,000
Total	902,740,000

Ou the other hand, the sums actually paid into the Treasury during the same period were—

	Francs.
Taxes collected and last instalment of purchase-money for railways sold	513,431,000
Bonds in circulation and account current with Deposit and Loan Fund, &c. ..	174,785,000
Loan from the National Bank	250,000,000
First instalment of National Loan ..	220,098,000
By sale of stock	94,292,000
Bronze money coined	15,080,000
Total	1,267,686,000

The balance in the Treasury on the 1st of December, 1866, was consequently 364,946,000 francs.

The outstanding credits for the financial year 1866 were—

	Francs.
For taxes remaining to be collected	274,000,000
Further instalments of National Loan and Bank Loan	157,902,000
Funds raised by sale of stock for payments to Austria	65,208,000
Remainder of bronze coinage	4,920,000
	502,365,000

This amount of presumable receipts being added to the actual balance in the Treasury of 364,946,000 francs would make the total of available resources 867,311,000 francs.

The liabilities to be met are reckoned thus:—

	Francs.
Payments remaining to be made on account of the public service, including the extraordinary war expenditure	429,814,000
Further expenses for bronze coinage . ..	6,198,000
Sums to be paid to Austria pursuant to Treaty .	53,676,000
Loss by silver coinage	2,000,000
	491,688,000

The available resources of the Treasury, as stated above, being 867,311,000 francs, there would consequently remain, after the discharge of the liabilities of the year 1866, a surplus of 375,623,000 francs applicable to the service of the financial year 1867.

The first charge to be provided for is the estimated deficit for 1867 (167,266,000 francs), to which must be added two sums on account of the pontifical debt (20,600,000 francs payable once for all, and 17,159,000 francs annual charge), and likewise the last stipulated payment to be made to Austria (37,635,000 francs), besides a large probable reimbursement to the deposit and loan fund; making altogether 252,660,000 francs.

After deduction of this amount there would still remain in hand 122,963,000 francs.

Allowance, however, must be made for non-payment of taxes; and supposing this loss in 1867 to amount to 80,000,000 francs, there would be left at the end of that year upwards of 42,000,000 francs, a balance sufficient to meet all immediate demands.

The following Statement shows the produce of the ordinary revenue, so far as the Returns extend, in 1866 and in 1865 :—

	1866. (12 months.)	1865. (12 months.)
	Francs c.	Francs. c.
Land and house	144,877,465 0	139,827,487 74
	(Estimated)	(Estimated)
Income tax	71,105,741 62	63,465,885 66
	(Estimated)	(Estimated)
Customs	64,719,809 52	60,856,014 65
Navigation duties	1,962,809 1	1,844,744 92
Consumption duties	24,477,076 77	28,124,863 12
Post Office	15,395,421 88	14,389,384 68
Tobacco monopoly	85,224,066 7	77,835,960 26
Salt ditto	55,972,056 53	50,257,376 89
Gunpowder ditto	1,798,185 23	2,206,441 60
	First 11 months of 1866.	
Succession duty	10,114,638 98	11,877,206 16
Tax on Corporate property ..	3,056,821 27	4,123,212 14
Tax on Commercial Companies .	845,965 13	932,304 15
Registration duty	23,714,884 8	29,895,802 94
Mortgage ditto	3,397,950 16	3,574,473 59
Stamps	16,184,987 41	18,142,275 59
Domain	13,672,712 55	13,481,824 15
Lottery	43,481,416 11	60,548,281 85
Telegraphs	4,581,872 69	5,383,309 56
10 per cent. on railway receipts	4,125,000 0	3,861,737 50
Miscellaneous	7,368,328 90	5,795,293 54

Various other items of receipt for which there are no returns are not included in the above statement. It will be seen that the account extends over the whole year 1866 for only a portion of the revenue, not being carried further than the first eleven months for the rest. It is likewise to be observed that under the heads of Land and House, or Real Property-tax and Income-tax (on income not derived from real property), the amount estimated in the budgets of 1865 and 1866 respectively, and not the amount actually collected is given.

The extraordinary receipts cannot be stated.

It is consequently impossible to give an accurate account of the real income of the State during the two financial years 1865 and 1866.

The expenditure for 1865 was as follows :—

	Francs c.
Finance Department :—	
1. Debt, Civil List, &c.	398,274,143 60
2. Administration and Monopolies ..	99,391,407 9
Grace, Justice, and Public Worship ..	30,195,243 67
Foreign Affairs	3,816,376 93

	Francs	c.
Public Instruction	15,060,826	2
Home Department	57,498,954	96
Public Works	83,323,916	82
War	192,819,629	0
Navy	48,502,336	41
Agriculture, Industry, and Commerce ..	4,898,563	21
	933,781,397	71

No account has yet been given of the actual expenditure of 1866. The amount estimated in the budget which was provisionally sanctioned by Parliament was 911,106,320 francs 17 centimes.

The special expenses occasioned by the war were—327,913,000 francs for the army, 27,831,100 francs for the navy, 1,360,950 francs for the Department of the Interior, and 500,000 francs for that of Foreign Affairs; making together the total of extraordinary war expenditure unprovided for by the budget, 357,605,050 francs.

The Treasury accounts presented to Parliament at the end of 1865 contain the following statement of the deficit as actually ascertained in each of the six years 1860–65, together with the estimated deficit of 1866 :—

	Francs	c.
1860	401,244,595	65
1861	538,608,416	30
1862	430,210,834	41
1863	792,715,095	86
1864	716,543,733	86
1865	595,440,091	45
1866 (estimated)	222,417,824	30

amounting to an aggregate sum of 2,761,514,639 francs 56 centimes.

To meet these deficiencies there were raised by loan, sale of stock, and other expedients—

	Francs	c.
In 1860	376,780,916	10
1861	547,926,486	59
1862	38,280,505	11
1863	507,867,565	5
1864	434,103,642	41
1865	634,137,700	0

And the nature of the operations by which these sums were obtained is thus stated :—

	Francs.	c
Loan of 100,000,000 f. (Law of October 11, 1859) .	95,068,969	46
Loan of the Emilia (Decree of January 22, 1860) .	7,987,356	67
Tuscan Loan (Decree of January 25, 186) ..	26,114,062	72
Loan of 150,000,000 f. (Law of July 12, 1860) ..	146,687,218	75
Sale of Neapolitan Stock, 1860-61	123,213,292	15
Sale of Sicilian Stock, 1860, 1861, 1863 . ..	36,430,297	47
National loan in Sicily (Dictatorial Decree of August 27, 1860)	8,779,697	77
Loan of 500,000,000 f. (Law of July 17, 1861) ..	496,965,412	81
Loan of 700,000,000 f. (Law of March 11, 1863) ..	699,964,793	17
Sale of 5 Per Cent. Stock (Law of Nov. 24, 1864) .	62,000,000	0
Loan of 425,000,000 f. (Law of March 11, 1865) ..	425,000,000	0
Sale of 5 Per Cent. Stock for the construction of Liguarian Railway	60,686,010	0
Advanced by the Company for the sale of State Lands (Law of November 24, 1864)	150,199,764	29
Sale of railways belonging to the State (Law of May 14, 1865)	200,000,000	0
Total	2,539,096,815	26

In 1866, a loan from the National Bank of the Kingdom of Italy, pursuant to the Decree of May 1, produced 250,000,000 francs; the national loan, decreed July 28, 220,098,000 francs; and sales of stock 94,292,000 francs; making a total of 564,390,000 francs.

At the beginning of the present year 1867 the debt of the Kingdom of Italy stood thus:—

	Francs	c.
Consolidated Stock	4,873,854,354	40
Redeemable Debt	675,549,812	20
Debt not inscribed in the "Great Book" .	622,560,203	24
	6,377,000,000	0

And the annual interest upon this capital amounted to 347,156,441 francs 78 centimes.

Bavaria.

Report by Mr. Fenton, Her Majesty's Secretary of Legation, on the Finance of Bavaria.

Munich, February 21, 1867.

In my Report, dated the 31st of December last, on the finances of Bavaria, I gave an account of the revenue and expenditure of the kingdom for the financial year ended September 30th, 1864.

The public accounts for the year ended September 30, 1865, having been subsequently laid before the Bavarian Chambers, I am now able to add, as a supplement to my above-mentioned Report, a statement of the income and expenditure for that year. And I may here observe that the date in question is the latest to which the accounts of the revenue have been made up and balanced; the system on which the public accounts of this country are kept being so very detailed and complicated that it is found impossible to complete and finally close them until many months after the expiration of the year to which they refer. Thus, I learn from the Finance Department, that but little progress has been made up to the present time in verifying and arranging the multifarious accounts referring to the revenue and expenditure for the year ended September 30, 1866; and that, although, as a matter of course, the general practical results, in round numbers, of the receipts and expenditure of the year are known to the department, some months of labour will be required before the accounts can be brought into such a shape as to show accurately and under each proper head the details of the income actually raised, and of the outlay incurred; indeed before even a correct summary of the accounts could be drawn up. It is, therefore, almost superfluous for me to say, that it is out of my power to include, in the present Report, any statement with respect to the details of revenue and expenditure for the year in question. But,

from what I have been able to learn as to the general results of the accounts of that year, it would not appear that they differ materially from those of the preceding year—namely, that ending September 30th, 1865, of which I am about to speak—except, as a matter of course, with regard to the extra expenditure rendered necessary by the war with Prussia and the stipulations of the Treaty of Peace. And, as was explained in my last Report, that expenditure was provided for by means of two loans specially sanctioned by the Chambers.

The accounts of the income and expenditure of the kingdom for the financial year ended September 30, 1865, a summary of which is annexed hereunto, present much the same features and the same results as those of the previous year.

The entire amount of income raised during the year was 56,194,946 florins (4,682,912*l.* sterling).

The expenditure was 55,616,057 florins (4,634,671*l.* sterling).

The excess of income over expenditure being 578,889 florins (48,241*l.* sterling).

In the previous year (ended September 30, 1864), the revenue amounted to 55,818,985 florins (4,651,582*l.* sterling), and the expenditure to 55,280,649 florins (4,606,720*l.* sterling), leaving a surplus of 538,336 florins (44,862*l.* sterling).

There was, consequently, an increase of revenue in the year 1864-5, as compared with the preceding year, of 375,961 florins (31,330*l.* sterling), and an increase in the expenditure of 335,408 florins (27,951*l.* sterling); the surplus revenue for the year 1864-5 having been greater by 40,553 florins (3,379*l.* sterling), than that for the year 1863-4.

As regards the details of revenue and expenditure for 1864-5, there is a slight increase in every item of the receipts, except in those from "State Domains," on which there is a falling off of about 38,500*l.* sterling as compared with the return of the previous year, this deficiency being chiefly attributable to the considerable reduction which took place, in the course of the year, in the price of timber and fire-wood, of both of which the Crown forests produce very large quantities.

With respect to the ordinary expenditure, there are only three items, the increase in which calls for any notice.

These are, interest and redemption of the Public Debt, Diet (Houses of Parliament), and Public Buildings, on which there is an increase, respectively, of about 80,000*l.*, 33,500*l.*, and 31,800*l.* sterling.

With reference to the first of these items, the increase did not arise from any extra requirements for the payment of interest, as the consequence of an addition having been made to the public debt, but, on the contrary, from the fact that a larger sum than usual was applied to the purposes of the sinking fund of that debt. Thus, of the sum of 1,476,924*l.* sterling which appears under the head of "Interest, &c., on the Public Debt," the amount actually paid for interest was about 1,136,400*l.*, and the remainder was contributed to the general sinking fund of the State debt, out of which fund a sum total of about 525,000*l.* was applied, during the year in question, to the redemption of the funded debt ("old" and "new" debts), as will be seen on reference to the statement which accompanied my Report of the 31st of December last on the public debt of Bavaria.

The difference of 33,500*l.* between the expenses of the Diet for the year 1864-5 and those of the previous year, is at once explained by the circumstance that the Chamber of Deputies,—the members of which receive a daily stipend during the session of the House,—only sat for a few days during the year 1863-4, and held a long session the year following.

The increased outlay under the head of public buildings, was caused by some necessary additions and repairs to Courts of justice, educational establishments, and public offices, all of which had been sanctioned by special votes of the Chambers.

If, however, the ordinary expenditure for the year ended September 30, 1865 was higher than that of the previous year, the excess was, in a great measure, counterbalanced by a diminution in the extraordinary and miscellaneous expenditure, the actual increase on the aggregate expenditure of the year having amounted, as already stated, to no more than 27,951*l.*, whilst the income for the year showed an augmentation of 31,330*l.* sterling.

It has already been stated in Reports from this Mission, that in virtue of a law passed by the Bavarian Chambers in the year 1865, the budget will, henceforth, that is to say, after the expiration of the current eighth financial period,

be voted for two years only, instead of for six years as hitherto.

By the same law it was provided that, under this new arrangement, the Bavarian financial year instead of dating, according to the system adopted up to the present, from the 1st of October, should be reckoned from the 1st of January; and it was further decreed, with the view of meeting this alteration, that the budget voted in 1861 for the six years of the eighth financial period ending the 30th of September of the present year, should remain in force for an additional period of three months, namely, until the 31st of December next.

The ninth financial period, the budget for which must, under the new law, be presented to the Chambers before the 1st of October proximo, will, therefore, comprise the two calendar years commencing on the 1st of January, 1868, and ending on the 31st of December, 1869.

There are, as yet, no data on which to form even an approximative estimate of the principal features of the new budget, but it may be safely assumed that it will present a considerable increase in the yearly public expenditure, as compared with that of the budget for the previous eighth financial period, provision being necessarily to be made, firstly, for the interest on the large sum which was added to the national debt in the course of the year 1866 by the two loans raised to meet the expenses of the war and to provide the sum paid as a war indemnity to Prussia; and secondly, for the increased expenditure of the War Department, involved by the plan for the reorganization and augmentation of the army recently proposed to the Chambers by the Government. As regards this latter item of expenditure, it remains, however, to be seen whether the Government proposal will meet with the sanction of the Bavarian Parliament.

The increased outlay attendant upon the adoption of the scheme is estimated at about 400,000*l.* sterling annually, but on this point no official statement has yet been made, the Bill, as presented to the Chambers, having reference to the military part of the question only.

Public Debt of Bavaria.

The public debt and the sinking fund of the debt being placed under the direction of a special Board, and the

accounts connected with the one and the other being naturally of a very much less complicated character than those of the general income and expenditure of the State, those accounts are made up soon after the close of each financial year. Whilst, therefore, I am at the present time only able to speak of the revenue and expenditure for the year ended September 30, 1865, it is in my power to furnish a statement of the total amount of each of the various descriptions of public debt as they existed at the close of the following financial year,—namely on the 30th September, 1866, as well as of the operation of the sinking fund during that year. And this statement, which will be found annexed, is accompanied by a corresponding Return of the state of the debt at the end of the previous year.

It will be seen that during the year 1865–6 bonds of the different denominations of debt to the amount of 567,588*l.* sterling were paid off, whilst fresh bonds representing a sum of 2,343,724*l.* were issued, the result being a net addition of 1,776,136*l.* sterling to the debt, the sum total of which was thereby raised to 29,669,267*l.* sterling. But it is to be borne in mind that a considerable portion of this debt, viz., that which has been raised for railway purposes, involves scarcely any charge on the finances of the kingdom, the yearly returns from the State railways being sufficient, or very nearly so, to meet the interest as well as the amount required for the sinking fund of that part of the public debt.

It will be observed that the increase in the debt during the year 1865-66 appears almost exclusively under the head of railway debt. It is, however, necessary to explain that by far the larger portion of the sum raised by this nominal addition to that debt was in reality employed not for railway purposes but to meet the extra expenditure incurred by the War Department in placing the army on a war footing and maintaining it in the field during the campaign of last summer; and the following are the circumstances under which this operation was effected.

In the month of June last the Bavarian Chambers authorized the Government to raise, by means of a loan, a sum of about 2,500,000*l.* sterling as a provision for the war expenditure; but at that moment the money markets of Europe, and especially those of Germany, were in such a depressed condition that it was not considered expedient to attempt the negotiation of a new military loan, and the

Government, having been empowered some time previously by the Chambers to issue between 3,000,000*l.* and 4,000,000*l.* sterling of additional bonds of the railway loan at such times and in such amounts as might be deemed expedient with a view to the extension of the railway system of Bavaria; and this description of securities having been at that time already well known and in favour both in the home and foreign money markets, they (the Government) came to the conclusion that it would be advisable to raise the money required for the army by the issue of a portion of the railway bonds so authorized rather than to seek to obtain it by means of a new military loan, which it would have been impossible to negotiate on any other than very disadvantageous terms.

A sufficient number of railway bonds (chiefly of the series bearing 4½ per cent. interest), to provide the funds necessary for the army, were therefore issued, as the money was required, and the proceeds were made over to the War Department as a loan from the Administration of the State railways, to be repaid whenever it might be found expedient to raise the necessary funds for that purpose, under the special "credit" voted by the Chambers, as already stated, in the month of June last.

Of the sum of about 2,250,000*l.* sterling thus raised by the issue of railway bonds during the financial year ended September 30, 1866, probably 1,500,000*l.* was handed over to the War Department; and between that date and the 31st of December following an additional 500,000*l.*, as it is understood that the whole extra expenditure of the War Department, in consequence of the campaign of 1866, amounted to about 2,000,000*l.* or 2,250,000*l.* sterling; but the precise amount of that expenditure will not be known until the public accounts for last year are completed and laid before the Chambers.

I have only further to add that, in the Return of the Public Debt transmitted herewith, the amount of the loan raised for the payment of the war indemnity to Prussia is not included, that loan representing, as far as is known, a sum of not less than 2,500,000*l.* sterling, not having been finally negotiated until after the close of the financial year to which this Return refers.

(Signed) H. P. FENTON.

Revenue of Bavaria for the Financial Year ended September 30, 1865.

	Florins.	Florins.		£
Direct Taxes (including those "additionally imposed"):—				
Land tax	6,517,756			
House tax	959,649			
Trades tax	1,445,574			
Property tax	654,888			
Income tax	318,635			
		9,896,502	=	824,709
Indirect Taxes:—				
Registration fees, &c.	5,990,092			
Stamp duties	1,801,699			
Excise duties	9,424,474			
Customs duties	6,438,842			
		23,655,107	=	1,971,259
State Monopolies and Establishments:—				
Salt works and mines	3,330,007			
Mines in the Palatinate	377,398			
State railways	5,909,355			
Post Office	736,913			
Telegraph establishments	63,225			
Official "Gazettes"	9,347			
Royal Bank at Nuremburg	218,582			
Sundry monopolies	8,793			
	10,653,620			
Deduct loss on Danube and Maine Canal	23,470			
		10,630,150	=	885,846
State Domains:—				
Forests, chases, &c.	7,318,522			
Farms and industrial establishments	244,806			
Feudal and other dues	4,053,812			
	11,617,140			
Deduct payments on interest account	9,380			
		11,607,760	=	967,313
Special taxes		31,333	=	2,611
Miscellaneous contributions:—				
Indemnity paid by Austria	102,083			
Contribution paid by the Eastern Railway Company of Bavaria	87,000			
Additional percentage on taxes in the Palatinate	100,000			
Contributions from the Widows' and Orphans' Fund	85,963			
Sale of stores, &c.	2,525			
	377,571			
Deduct deficiency on "Incidental Receipts Expenditure"	3,477			
		374,094	=	31,174
Total revenue		56,194,946	=	4,682,912

Expenditure of Bavaria for the Financial Year ended September 30, 1865.

Ordinary Expenditure.

	Florins.	Florins.		£
Interest, &c., on the public debt		17,723,086	=	1,476,924
Royal Household and Court Civil List	2,350,580			
Appanages for members of the Royal Family	620,000			
Pensions	16,045			
		2,986,625	=	248,885

	Florins.	Florins.		£
Council of State	..	71,675	=	5,973
Diet (Houses of Parliament)	..	411,342	=	34,279
Ministerial Departments:—				
Foreign Affairs and Household ..	432,415			
Justice	3,740,233			
Interior	1,900,231			
Commerce and Public Works	246,442			
Finance	864,791			
		7,184,162	=	598,680
Government Institutions:—				
Educational establishments	1,255,627			
Public Worship, Catholic	1,348,023			
Ditto, Protestant	560,087			
Public Health	289,499			
Charitable Institutions	230,688			
Public Security	1,552,529			
Industry and Agriculture	382,720			
Roads, bridges, and canals	2,935,431			
Commercial subventions	100,413			
Cadastral survey	290,000			
Glass painting establishment	2,600			
		8,947,617	=	745,635
Contribution to Provincial Funds ..	..	574,779	=	47,898
Military Establishment:—				
Regular army	9,497,750			
Gendarmerie	962,800			
Topographical Department	50,000			
Contribution to Military Fund for Widows, Orphans, and Invalids	92,000			
Military Pensions	700,000			
Miscellaneous expenses	95,200			
Military Chaplains	17,225			
Extraordinary requirements	3,336,185			
		14,751,160	=	1,229,263
Public buildings	..	1,170,239	=	97,520
Pensions to widows and orphans of civil servants	..	727.776	=	60,648
Total Ordinary Expenditure ..	..	54,548,461	=	4,545,705
Extraordinary Expenditure (defrayed from the State Reserve Fund):—				
Royal Household	175,668			
Ministry of Justice	110,821			
Ministry of the Interior	800			
Government establishments . ..	4,430			
Provincial funds	32,050			
Military establishment	353,535			
Public buildings	34,452			
Miscellaneous	12,000			
Interest guaranteed on the Max Railway in the Palatinate	29,452			
		753,208	=	62,767
Miscellaneous expenditure (defrayed from surplus funds)	..	314,388	=	26,199
Total Expenditure	..	55,616,057	=	4,634,671

RECAPITULATION.

	Florins.		£
Revenue	56,194,946	=	4,682,912
Expenditure	55,616,057	=	4,634,671
Surplus	578,889	=	48,241

Public Debt of Bavaria.

Statement showing the Amount of each of the several Descriptions of Debt at the close of the Financial Years ended September 30, 1865, and September 30, 1866, respectively.

	Amount, September 30, 1865.		Amount, September 30, 1866.		Reduction during 1865–66. (Bonds paid off.)		Increase during 1865–66. (Bonds issued.)	
Funded Debt.	Florins.	£ sterling.	Florins.	£ sterling.	Florins.	£ sterling.	Florins.	£ sterling.
I. Old Debt	74,559,297	6,213,275	70,017,379	5,834,781	4,598,050	383,171	56,132	4,678
II. New Debt	10,708,902	892,409	10,166,097	847,175	542,805	45,233	..	..
III. Military Debt	31,045,900	2,587,158	32,003,150	2,666,929	..	..	957,250	79,771
Total of Funded Debt	116,314,099	9,692,842	112,186,626	9,348,885	5,140,855	428,404	1,013,382	84,449
IV. Railway Debt	119,886,400	9,990,533	146,156,600	12,179,717	841,100	70,092	27,111,300	2,259,275
V. Ground-rent Redemption Debt ..	98,517,075	8,209,756	97,687,975	8,140,665	829,100	69,092	..	..
Total of Public Debt	334,717,574	27,893,131	356,031,201	29,669,267	6,811,055	567,588	28,124,682	2,343,724

	Florins.		£ sterling.
Increase during 1865–66	28,124,682	..	2,343,724
Decrease „ „	6,811,055	..	567,588
Net Increase during 1865–66	21,313,627	..	1,776,136

REPORTS

BY

HER MAJESTY'S SECRETARIES

OF

EMBASSY AND LEGATION,

ON THE

MANUFACTURES, COMMERCE, &c.,

OF THE

COUNTRIES IN WHICH THEY RESIDE.

Presented to both Houses of Parliament by Command of Her Majesty.
June 1867.

LONDON:
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1867.

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Belgium.

Report by Mr. Petre, Her Majesty's Secretary of Legation, on the Foreign Trade of Belgium.

Brussels, March 6, 1867.

THE latest statistical information conveyed in such a form as to afford adequate materials for anything like an accurate analysis of the foreign trade of Belgium, is to be found in the official returns published by the Belgium Government, according to annual custom, in November last. These returns relate to the foreign trade of 1865, and it is therefore with that year that I propose to deal. Before entering upon the subject, however, I should mention that the Belgian "Moniteur" published early in January last tables of the imports and exports during the first eleven months of 1866, as compared with the corresponding period of 1865 and 1864. Although fragmentary, and giving in most instances quantities only, without values, they nevertheless enable the public to form a tolerably correct notion of the general results of the commerce of the past year.

These will be found summarized in a tabular statement (Table No. 1 of the statistical appendix to this Report), in which are enumerated the principal imports and exports of the eleven months ending November 30th, 1866, showing under the heads of increase and decrease the difference in value with those of the corresponding eleven months of 1865.

Considering the severity of the financial crisis of 1866, aggravated as it was by the scourge of the cholera and the ravages of the cattle plague, the commercial results of the year, as indicated by the returns in question, are on the whole satisfactory. As regards the imports the decrease in many articles, such as flax, oilseeds, corn, coffee, cattle, and raw hides, &c., amounting in the aggregate to

2,186,177*l.*, was evenly balanced by the increase upon other articles of import, such as petroleum, unrefined sugar, cotton, wine, &c., amounting in all to 2,136,156*l.*

In the exports there was a net increase of 554,047*l.*, chiefly under the heads of paper, sugar, and woollen manufactures, although the export of flax was less by 680,000*l.*, and of cattle and raw hides by 529,173*l.* than in 1865. The net increase on the principal mports and exports together was 504,025*l.*

The general results of the year 1866 will probably not differ much, therefore, from those of 1865. Until the returns for the whole year are published in a complete and connected form, it is useless to attempt any more detailed analysis of the partial statistics of which I have given the substance above, but I may mention, as a matter of some interest bearing upon the question of the competition of Belgian with British iron, that there was a decrease in the exports of Belgian iron and steel to Great Britain in 1866, and a marked increase in the imports. In fact, the increasing importation of cast iron, chiefly British, into Belgium, and the falling off in the exports, seem to have attracted the attention of the Belgian ironmasters, for at a meeting held by the latter in January last, where it was decided, in consequence of the depressed state of the trade, to reduce wages 10 per cent., and to close a certain number of the furnaces, this subject was discussed at some length.

On examining the Tables I find that during the first eleven months of 1864 the imports into Belgium of raw cast iron ("fonte brute") were 7,200 tons, of which 5,300 were British; in the corresponding period of 1865 they rose to 18,800 tons, of which 17,000 British; and in 1866 to 29,590 tons, of which 26,200 British. On the other hand, the exports of Belgian cast iron during the first eleven months of 1864 amounted to 24,400 tons, 17,200 of which went to France, and 5,900 to England; whereas in the corresponding period of 1866 they did not amount to more than 14,000 tons, of which 9,600 were exported to France, and only 241 to Great Britain. The exports of Belgian rails have fallen also from 75,353 tons, during the past eleven months of 1864, to 62,734 tons in 1866.

The following is an exact statement, in a tabular form, of the quantities (the values are not all ascertainable) of iron and steel of all sorts imported into Belgium from

Great Britain, and of Belgian iron and steel exported to Great Britain during the first eleven months of 1866, as compared with the corresponding period of 1864:—

Imports.	First 11 Months of 1866.	First 11 Months of 1864.	Exports.	First 11 Months of 1866.	First 11 Months of 1864.
Iron and steel—	Tons.	Tons.	Iron and steel—	Tons.	Tons.
Ore and filings	...	1	Ore and filings	1,768	5,555
Raw, cast, and old iron ...	26,211	5,296	Raw, cast, and old iron ...	241	5,920
Hammered iron (nails, wire, rails, plates, &c.	1,031	1,777	Hammered iron, nails, wire, rails, &c.	6,727	9,436
Castings	41	24	Castings	3	7
Wrought iron	255	203	Wrought iron	12	...
Steel, in bars, plates, or wire...	3,219	1,227	Steel, in bars, plates, or wire .	50	56
Wrought steel	522	...	Wrought steel	16	5
Total	31,289	8,528	Total	8,817	20,979

The results may be briefly stated thus; whereas in 1864 (taking the first eleven months of the year), Belgium supplied England with 20,979 tons of iron and steel, in 1866 she only sent 8,817 tons, whilst the imports of British iron and steel rose from 8,528 tons in 1864 to 31,289 tons in 1866.

Foreign Trade of 1865.

The foreign commerce of Belgium, including in that term the total imports and exports of merchandize, whether for home consumption, transit, or bond, and taking the range of five years, ending December 31st, 1865, has increased at a tolerably uniform rate (except in 1864, when the increase was 15,000,000*l.*), of about 6,000,000*l.* sterling annually. The rate of increase under what is called "Special Commerce," that is to say, the imports of merchandize presumedly for home consumption, and the exports of Belgian produce and manufacture, during the same period, was at the rate of about 3,000,000*l.* sterling annually. In the former the increase is about 6 per cent., and in the latter nearly the same, on the total.

The aggregate value of the imports and exports of Belgium, under the head of "General Commerce," in 1865, amounted in round numbers to 102,768,000*l.*, which was an increase as compared with 1864 of 5,716,000*l.*, and of 21,000,000*l.* as compared with 1863. The imports were

valued at 54,596,000*l.*, and the exports at 48,172,000*l.*, and the increase, as compared with 1864, is divided between the imports and exports as follows; imports, 4,428,000*l.*; exports, 1,288,000*l.*

The total value of foreign merchandize imported into Belgium for home consumption in 1865 was 30,256,000*l.*, as against 27,352,000*l.* in 1864, and 24,384,000*l.* in 1863, and the total value of Belgian produce and manufactures exported in 1865 was 24,068,000*l.*, showing an increase of 236,000*l.* as compared with 1864, and 2,728,000*l.* as compared with 1863. The united value, therefore, of what is called the "Special Commerce" in 1865, was 54,324,000*l.*, or rather more than half the total representing "General Commerce."

Belgium has commercial relations with nearly every country in the globe, but the great bulk of her trade is carried on with France, Great Britain, the Netherlands, the Zollverein, and North and South America, and I have placed these countries in the order assigned to them by the relative importance of their trade with Belgium in 1865, the principal results of which will be found in the following brief analysis.

France, it will be seen, takes the lead. The total value of Belgian exports to France under the head of "Special Commerce" in 1865 was 9,569,000*l.*, and the imports 8,135,000*l.*; together, 17,704,000*l.*, as against 15,815,000*l.* in the previous year. The imports increased in value nearly 1,000,000*l.* sterling, and the exports 900,000*l.*; the increase, as regards imports, was chiefly on cereals, which were imported from France to the amount of 1,123,000*l.* as against 800,000*l.* in 1864, on flax, woollen manufactures, and wine; the value of French silks imported in 1865, exclusive of raw silk, was 617,000*l.*, which was about 50,000*l.* less than the year before. The only other important article upon which there was a decrease was wool. With respect to the exports, with the exception of cattle and linen manufactures, there was an increase upon all the most important ones, such as coal, flax, and woollen manufactures. The quantity of coal and coke exported to France in 1865 was 3,825,299 tons, valued at 2,313,000*l.*, against 3,594,892 tons, valued at 2,173,240*l.* in 1864. The trade between Belgium and France has risen steadily from 10,850,000*l.* in 1861, to 17,704,000*l.* in 1865.

The trade with Great Britain, which comes next in importance, and a detailed account of which will be found in Table No. 6 of the Statistical Appendix to this Report, has increased during the last four years at a mean rate of about 1,100,000*l.* a-year, but the returns of 1865 show an increase of 1,808,000*l.* over the previous year. The above figures refer only to the imports declared for home consumption, and to the exports of Belgian produce or manufacture.

The value of the imports under this head from Great Britain rose from 4,757,200*l.* in 1864 to 5,823,920*l.* in 1865, and the exports from 4,615,160*l.* to 5,356,560*l.*; in the aggregate 11,180,480*l.* in 1865, as against 9,372,360*l.* in 1864. This is a rise of 22 per cent. in the imports, and of 16 per cent. in the exports, as compared with 1864.

Amongst the principal imports from Great Britain cotton holds the first rank, 21,553,280 lbs., valued at a little more than 1,500,000*l.* sterling, were imported for home consumption in 1865, which is about 500,000*l.* more in value and 9,674,460 lbs. more in quantity than the imports of 1864. The total imports of cotton, including those in bond and for transit, were of course far more considerable, being 29,229,660 lbs., valued at 2,087,880*l.* in 1865, as against 17,687,040 lbs., valued at 1,354,240*l.* in 1864. There was also an increase in woollen manufactures which come next in importance to cotton, and which were imported in 1865 to the value of 677,640*l.* as against 466,800*l.* in 1864. The value of the imports of wool, on the other hand, fell from 496,600*l.* in 1864 to 437,920*l.* in 1865. The other articles, the importation of which is considerable, and upon which the returns show a marked increase over 1864, are cotton yarns and manufactures, resinous substances, which include petroleum, both raw and refined, but chiefly the latter, flax, linen yarns and raw sugar. The only decrease worth mentioning was in the imports of wool, coffee, raw hides, and unwrought steel.

The Belgian exports to Great Britain, the most important in value are those of flax and hemp, woollen yarns and manufactures, butter, glass, paper, raw sugar, candles, and meat. The exports of flax rose from 588,840*l.* in 1864 to 804,880*l.* the following year; of glass from 181,560*l.* to 247,320*l.*; of paper from 208,000*l.* to 246,660*l.*; and of unrefined sugar from 144,720*l.* to

210,440*l.* Under the head of decrease woollen yarns and woollen manufactures together fell from 1,281,120*l.*, the value of the imports in 1864, to 1,173,920*l.* in 1865. In the exports of iron and steel to Great Britain, the only noteworthy difference between the two years is in the article raw cast iron ("fonte brute") of which only 83 tons, valued at 280*l.*, were exported in 1865, against 5,920 tons, valued at 19,200*l.*, in 1864. In the article of food, Belgium supplied England in 1865 with 22,844 head of cattle, 3,092 tons of meat and poultry, 20,140,000 eggs, and 11,470 tons of fruit.

The trade with the Netherlands, which ranks next in importance to that with Great Britain, declined in 1865 to the extent of more than 1,000,000*l.* sterling as compared with 1864. The value of the imports was 4,519,160*l.*, as against 5,155,480*l.*, and of the exports 2,806,960*l.*, as against 3,259,000*l.* in 1864. Total value of the trade with Holland in 1865, 7,326,120*l.* These figures relate as above to the "special commerce" only. The principal imports from Holland into Belgium are flax, coffee, cereals, and cattle, and the exports woollen manufactures, machinery, linen manufactures, coal and iron; the value of the latter exported to Holland in 1865 was 284,680*l.*, as against 362,880*l.* in 1864.

The returns show a slight falling off also in 1865 in the trade between Belgium and the Zollverein. The value of the imports from the States of the Zollverein for home consumption was 2,671,840*l.*, and of the exports of Belgian produce and manufacture 2,810,760*l.* Total imports and exports 5,482,600*l.*, which was about 170,000*l.* less than in 1864.

The Russian trade, of which the aggregate value in 1865 was 1,749,000*l.*, representing almost exclusively imports, such as flax and oilseeds, although greater by nearly 66 per cent. than in the previous year, has increased to a very trifling extent since 1861. The trade with Italy has actually declined since that year, when it stood at 645,640*l.*, whereas the value of imports and exports in 1865 was only 514,120*l.* A similar stagnation or decadence is apparent with respect to the commerce of the Transatlantic countries with Belgium, with one signal exception, La Plata; the imports from that country, which consist mainly of two articles, wool and raw hides, rose from 1,436,440*l.* in 1864 to 3,335,600*l.* in the following

year, and the value of imports and exports together from 1,558,160*l.* to 3,509,920*l.*

The value of the commercial intercourse of Belgium with the United States was represented in 1865 by about 1,000,000*l.* sterling, which was less by 478,680*l.* than in 1864, and less even than in 1861 by 285,400*l.* The imports, which constitute about 73 per cent. of the whole trade, were chiefly petroleum and resinous substances, raw tobacco and coffee, and the exports glass and unwrought iron.

Belgian and Foreign Shipping.

The Returns for 1865 show that in that year 4,526 vessels, laden and in ballast, measuring 920,831 tons, entered Belgian ports. Of these, 1,652, of 413,377 tons, employing 21,920 men, were British, and 887 vessels, of 89,117 tons, Belgium, Sweden, and Norway, represented by 558 vessels of 131,109 tons, rank next to Great Britain as regards tonnage.

There was an increase in the number of entries over the preceding year of 396 vessels, and in the tonnage of 126,235 tons; the increase of British tonnage alone being 94,448 tons.

A reference to Table No. 9 of the Statistical Appendix, stating the number and tonnage of vessels composing the mercantile marine of Belgium, will show that the foreign trade of this country is carried on mainly through the medium of foreign shipping. The total number of vessels (sailing and steam) of which the Belgian mercantile navy was composed in 1865 was only 112, of 39,729 tons.

Belgian shipping steadily decreased in number, though not in tonnage, from the year 1837 to 1863, when it reached its lowest point, viz., 97 vessels, of 27,247 tons. There has been an increase since that year of 15 vessels and of 12,482 tons.

In concluding this short statistical analysis of the foreign commerce of Belgium in 1865, I deem it advisable to allude to a subject to which attention has already been drawn at some length and with great lucidity by my predecessor, Mr. Barron, in one of his Reports from Brussels, viz., the apparently irreconcileable difference that exists between the British and Belgian Returns of the values of imports and exports. Whether this disagreement, radical

as it is, admits of any other explanation than that the bases of valuation employed by the two Governments are essentially and widely dissimilar, and that, consequently, one or both of them must be fallacious, I am unable to say; but, at all events, the difference is sufficiently startling to deserve attention and, if such a thing were possible, a remedy.

Taking, for instance, the British Returns of imports from Belgium in 1865, it will be seen that they are valued at 7,379,893*l.*, and in 1864 at 6,410,959*l.* In the Belgian Returns they are valued (under the head of "General Commerce," that is, including all merchandize actually exported from Belgium to the United Kingdom, whether of Belgian or foreign origin) at 9,020,200*l.* in 1864, and at 11,456,000*l.* in 1865; being a difference, as compared with the British Returns, of 2,609,241*l.* in 1864, and of 4,076,107*l.* in 1865.

Under the head of "Special Commerce," which professes to deal exclusively with exports of Belgian produce and manufacture, the figures, if less considerable in amount, are equally irreconcileable.

The Belgian Returns give the exports to the United Kingdom under this head at 4,615,160*l.* in 1864, which makes a difference of 1,795,799*l.*, and at 5,356,560*l.* in 1865, leaving a difference of 2,023,333*l.* as compared with the British tables of imports.

(Signed) GEORGE PETRE.

APPENDIX.

(No. 1.)—COMPARATIVE STATEMENT showing the Increase or Decrease of the Value of the Principal Imports and Exports in Belgium during the first Eleven Months of 1866, as compared with the corresponding period of 1865.

INCREASE IN THE FIRST ELEVEN MONTHS OF 1866.

IMPORTS	Francs.	EXPORTS.	Francs.
Brandy	633,231	Butter	1,280,082
Wine	4,139,498	Coal	5,352,055
Coal	984,994	Coke	1,021,135
Iron and steel—		Iron and steel—	
Cast and old iron	868,842	Cast and old iron	423,277
Steel in bars	763,791	Castings	743,478
,, wrought	2,440,505	Yarns, cotton	1,978,938
Cotton	8,885,064	,, linen	6,664,777
Grease	2,096,915	,, woollen	694,144
Hops	698,434	Wheat	1,894,586
Wool	2,672,508	Flour	487,482
Machinery	596,218	Grease	1,219,150
Resins—		Paper	9,241,795
Petroleum, raw	3,332,525	Resinous substances	4,056,954
,, refined	9,684,634	Silk	789,550
Other sorts	4,318,256	Sugar, raw	5,740,382
Rice	1,697,123	,, refined	5,156,505
Raw sugar	8,981,252	Cotton textiles	5,716,536
Carriages	610,132	Woollen ditto	9,696,126
		Glass of all kinds	3,030,228
Total Increase	53,403,902	Meat	569,965
		Carriages	673,858
		Total Increase	66,431,003

DECREASE IN THE FIRST ELEVEN MONTHS OF 1866.

IMPORTS.	Francs.	EXPORTS.	Francs.
Oxen	5,240,180	Arms	4,279,200
Butter	694,288	Oxen	5,852,990
Wood	438,500	Pigs	999,720
Coffee	2,332,169	Candles	615,132
Horses	1,645,000	Horses	400,050
Iron and steel	925,879	Copper and nickel	1,482,065
Tow	1,860,975	Iron and steel	2,128,531
Flax	14,047,597	Flax and hemp	16,885,706
Yarns, cotton	2,635,099	Oil seeds	1,240,133
,, linen	1,517,647	Hops	1,618,284
Oil seeds	13,774,514	Wool	2,961,336
Wheat	2,645,604	Hides, raw	7,376,399
Oils	1,199,838	Lead	1,074,107
Haberdashery and hardware.	767,171	Stone, undressed	1,310,444
Hides, raw	2,795,144	Rice	1,351,081
,, dressed	797,445	Cigars	966,777
Lead	676,168	Linen textiles	1,416,822
Woollen cloths	711,225	Silk ditto	621,150
Total Decrease	54,654,443	Total Decrease	52,579,827

Foreign Trade of Belgium in 1865.

(No. 2.)—TOTAL VALUE of all Foreign Merchandize Imported into Belgium in 1865, specifying from what Countries it was imported, what portion of it was retained for Home Consumption ("Special Commerce"), and the Amount of Duties levied thereon.

Countries.	Total Imports.	Imports retained for Home Consumption.	Duties levied.
	Francs.	Francs.	Francs.
Russia	42,545,658	39,858,771	317,067
Sweden and Norway	12,612,057	9,929,289	737,075
Denmark	3,567,545	3,182,887	70,833
Zollverein	324,471,534	66,795,630	1,772,672
Mecklenburg	107,289	145,928	1,571
Hanse Towns	5,772,572	4,813,083	63,010
Netherlands	194,113,726	112,978,597	2,499,505
Great Britain	209,404,677	145,597,796	2,531,073
France	365,684,034	203,371,409	5,150,828
Portugal	1,325,218	1,056,761	110,375
Spain	6,478,651	5,990,996	103,227
Italy	3,175,280	3,066,975	37,859
Switzerland	11,378,876	9,693,166	262,893
Austria	848,771	770,593	21,221
Roman States	1,180	1,180	78
Greece and Ionian Islands	365,048	419,015	148,438
Turkey	4,191,506	3,699,218	37,192
Africa	5,516,808	4,443,153	23,794
Asia	7,566,938	5,237,360	89,233
United States	21,571,800	18,500,981	516,122
Mexico	1,448	1,248	248
Cuba and Porto Rico	7,715,533	7,612,237	177,274
British America	212,449	283,840	7,231
Hayti and Venezuela	12,315,970	10,681,302	590,775
Brazil	17,572,836	11,974,748	522,408
Plata	103,494,420	83,390,155	8,560
Chile and Peru	2,928,453	2,920,948	219
Miscellaneous	3,076	3,076	25
Ditto	..	..	13,862
Total	1,364,943,353	756,420,342	15,764,668

TOTAL VALUE of all Merchandize Exported from Belgium to Foreign Countries in 1865, specifying what portion of it was of Belgian Produce and Manufacture ("Special Commerce"), together with the Amount of Duties levied thereon.

Countries	Total Exports.	Exports under Head of "Special Commerce."	Duties levied.
	Francs.	Francs.	Francs.
Russia	4,217,644	3,865,776	—
Sweden and Norway ..	2,655,919	2,395,950	—
Denmark	2,919,974	1,820,575	—
Zollverein	245,318,623	70,269,692	13
Mecklenburg	775,113	714,633	—
Hanse Towns	13,388,287	11,647,703	—
Netherlands	149,521,753	70,173,749	—
Great Britain	286,400,135	133,913,767	6,211
France	389,658,084	239,220,403	295
Portugal	641,873	459,899	—
Spain	7,141,353	6,236,496	—
Gibraltar and Malta ..	613,640	318,092	—
Italy	10,556,428	9,785,776	—
Switzerland	47,707,909	18,696,624	—
Austria	2,119,474	1,213,297	—
Roman States	660	660	—
Greece	382,034	329,931	—
Turkey	5,231,938	4,658,022	—
Africa	1,398,319	1,298,184	—
Asia	570,125	514,800	—
United States	12,497,347	6,700,527	—
Mexico and Guatemala ..	409,375	280,082	—
Cuba and Porto Rico ..	6,190,047	5,198,808	—
British America ..	720 908	576,916	—
Hayti and Venezuela ..	17,893	10,000	—
Brazil	3,518,896	2,742,994	—
Plata	4,769,495	4,357,666	—
Chile and Peru	4,955,318	4,250,521	—
Total	1,204,298,664	601,651,543	6,519

(No. 3.)—STATEMENT of the Official Value of the Total Imports and Exports of Merchandize into and from Belgium in each of the Years 1861 to 1865, distinguishing, under the head of "Special Commerce," what portion of the Imports were for Home Consumption, and what portion of the Exports were of Belgian Produce and Manufacture.

	Value (in pounds sterling).					Difference between 1865 and 1864. +or—in 1865.
	1861.	1862.	1863.	1864.	1865.	
Imports—	£	£	£	£	£	£
General Commerce	38,576,000	40,952,000	42,292,000	50,168,000	54,596,000	+4,428,000
Special Commerce	22,256,000	23,496,000	24,384,000	27,352,000	30,256,000	+2,904,000
Exports—						
General Commerce	33,816,000	37,476,000	39,484,000	46,884,000	48,172,000	+1,288,000
Special Commerce	18,136,000	20,076,000	21,340,000	23,832,000	24,068,000	+ 236,000
Total of Imports and Exports—						
General Commerce	72,392,000	78,428,000	81,776,000	97,052,000	102,7 8,000	+5,716,000
Special Commerce	40,392,000	43,572,000	45,724,000	51,184,000	54,324,000	+3,140,000

(No. 4.)—Statement of the Official Value of the Import and Export Trade of Belgium with Foreign Countries ("Special Commerce") in each of the Years 1861 to 1865.

(In millions and thousands of francs.)

Countries.	1861.		1862.		1863.		1864.		1865.		Difference between 1865&1864. + or − in 1865.
		Total of Imports and Exports.		Total of Imports and Exports.		Total of Imports and Exports.		Total of Imports and Exports.		Total of Imports and Exports.	
Russia—											
Imports ..	33,333		31,465		22,150		23,952		39,859		
Exports ..	7,258		6,505		11,176		4,142		3,866		
		40,591		37,970		33,326		28,094		43,725	15,631 +
Sweden & Norway—											
Imports ..	7,726		6,180		7,998		8,775		9,929		
Exports ..	1,569		1,596		1,827		2,526		2,396		
		9,295		7,776		9,825		11,301		12,325	1,024 +
Denmark—											
Imports ..	8,741		4,432		6,986		4,155		3,183		
Exports ..	709		691		1,077		1,619		1,821		
		9,450		5,123		8,063		5,774		5,004	770 −
Zollverein—											
Imports ..	62,290		69,665		65,748		72,367		66,796		
Exports ..	56,297		59,759		61,434		69,035		70,269		
		118,587		129,424		127,182		141,402		137,065	4,337 −
Mecklenburgh-Schw.											
Imports ..	1,565		968		1,806		597		146		
Exports ..	405		292		697		723		715		
		1,970		1,260		2,503		1,320		861	459 −
Hanse Towns—											
Imports ..	8,286		5,615		5,223		7,674		4,813		
Exports ..	12,559		15,119		14,224		14,670		11,648		
		20,845		20,734		19,447		22,344		16,461	5,883 −

Statement of the Official Value, &c.—(*continued.*)

Countries.	1861.	Total of Imports and Exports.	1862.	Total of Imports and Exports.	1863.	Total of Imports and Exports.	1864.	Total of Imports and Exports.	1865.	Total of Imports and Exports.	Difference between 1865&1864. + or − in 1865.
Netherlands—											
Imports ..	114,452		109,151		111,682		128,887		112,979		
Exports ..	60,382		62,981		73,900		81,475		70,174		
		174,834		172,132		185,582		210,362		183,152	27,209−
Great Britain—											
Imports ..	91,326		85,369		108,554		118,930		145,598		
Exports ..	75,809		102,535		103,439		115,379		133,914		
		167,135		187,904		211,993		234,309		279,512	45,203+
France—											
Imports ..	97,098		139,207		150,402		178,522		203,371		
Exports ..	174,163		178,834		187,465		216,850		239,220		
		271,261		318,041		337,867		395,372		442,591	47,219+
Portugal—											
Imports ..	1,090		1,030		687		622		1,057		
Exports ..	1,387		3,110		1,009		2,056		460		
		2,477		4,140		1,696		2,678		1,517	1,161−
Spain—											
Imports ..	3,114		3,658		4,688		8,011		5,991		
Exports ..	12,571		7,949		13,129		16,575		6,236		
		15,685		11,607		17,817		24,586		12,227	12,359−
Gibraltar and Malta—											
Imports ..	..		..		..		2	..	..		
Exports ..	..		..		..		557		318		
		..		..		..		559		318	241−
Italy—											
Imports ..	2,109		1,850		2,071		1,800		3,067		
Exports ..	14,032		13,842		14,840		9,973		9,786		
		16,141		15,692		16,911		11,773		12,853	1,080+

Statement of the Official Value, &c.—(*continued.*)

Countries.	1861.		1862.		1863.		1864.		1865.		Difference between 1865 & 1864. + or − in 1865.
		Total of Imports and Exports.		Total of Imports and Exports.		Total of Imports and Exports.		Total of Imports and Exports.		Total of Imports and Exports.	
Switzerland—											
Imports ..	1,537		2,361		3,712		5,428		9,693		
Exports ..	8,291		10,309		13,725		16,600		18,697		
		9,828		12,670		17,437		22,028		28,390	6,362 +
Austria—											
Imports ..	985		1,750		1,222		1,670		771		
Exports ..	2,507		2,280		1,962		1,109		1,213		
		3,492		4,030		3,184		2,779		1,984	795 −
Roman States—											
Imports ..	2		3		2		1		1		
Exports ..	105		226		1,038		702		1		
		107		229		1,040		703		2	701 −
Greece—											
Imports ..	89		15		18		514		419		
Exports ..	292		940		1,017		461		330		
		381		955		1,035		975		749	226 −
Turkey—											
Imports ..	6,375		4,996		3,495		3,842		3,699		
Exports ..	2,647		3,223		3,874		3,922		4,658		
		9,022		8,219		7,369		7,764		8,357	593 +
Africa—											
Imports ..	3,954		4,527		5,141		3,721		4,443		
Exports ..	851		1,601		940		2,354		1,298		
		4,805		6,128		6,081		6,075		5,741	334 −
Asia—											
Imports ..	6,635		5,564		5,000		5,248		5,237		
Exports ..	241		314		381		550		514		
		6,876		5,878		5,381		5,798		5,751	47 −

Statement of the Official Value, &c.—(*continued.*)

Countries.	1861.	Total of Imports and Exports.	1862.	Total of Imports and Exports.	1863.	Total of Imports and Exports.	1864.	Total of Imports and Exports.	1865.	Total of Imports and Exports.	Difference between 1865&1864. + or — in 1865.
United States—											
Imports ..	26,996		22,518		26,165		28,654		18,501		
Exports ..	5,341	32,337	12,327	34,845	5,999	32,164	8,515	37,169	6,701	25,202	11,967—
Mexico&Guatemala—											
Imports ..	1		47		234		179		1		
Exports ..	287	288	37	84	108	342	493	672	280	281	391—
Cuba & Porto Rico—											
Imports ..	11,580		9,844		9,344		6,629		7,612		
Exports ..	5,299	16,879	7,786	17,630	7,696	17,040	11,344	17,973	5,199	12,811	5,162—
British America—											
Imports ..	217		127		362		361		284		
Exports ..	612	829	390	517	682	1,044	1,074	1,435	577	861	574—
Hayti & Venezuela—											
Imports ..	3,478		6,584		8,816		6,612		10,681		
Exports ..	208	3,686	30	6,614	7	8,823	20	6,632	10	10,691	4,059+
Brazil—											
Imports ..	10,677		12,772		11,533		10,038		11,975		
Exports ..	3,641	14,318	2,732	15,504	3,205	14,738	5,042	15,080	2,743	14,718	362—
Plata—											
Imports ..	41,968		45,183		28,044		35,911		83,390		
Exports ..	2,512	44,480	1,947	47,130	2,512	30,556	3,043	38,954	4,358	87,748	48,794+

Statement of the Official Value, &c.—(*continued.*)

Countries.	1861.	Total of Imports and Exports.	1862.	Total of Imports and Exports.	1863.	Total of Imports and Exports.	1864.	Total of Imports and Exports.	1865.	Total of Imports and Exports.	Difference between 1865&1864. + or − in 1865.
Chile and Peru—											
Imports ..	10,799		12,477		18,561		20,722		2,921		
Exports ..	3,417		4,539		6,135		4,978		4,250		
		14,216		17,016		24,696		25,700		7,171	18,529 +
Miscellaneous—											
Imports ..	1		..		..		1		3		
Exports ..	..		..		..		..		..		
		1		..		..		1		3	2 +
Total Imports ..	556,424		587,358		609,644		683,825		756,420		
Total Exports ..	453,392		501,894		533,498		595,797		601,652		
		1,009,816		1,089,252		1,143,142		1,279,622		1,358,072	

(No. 5.)—STATEMENT of the Quantities and Value of the principal and other Articles Imported into Belgium, under the head of "Special Commerce," in each of the Years 1861 to 1865.

Principal Imports.	Quantities.					Value (in millions and thousands of francs).				
	1861.	1862.	1863.	1864.	1865.	1861.	1862.	1863.	1864.	1865.
Wool .. .. .. Tons	16,394	18,614	14,382	20,854	27,951	62,453	56,259	43,705	63,084	83,153
Woollen manufactures .. Kilogrammes	605,606	831,683	1,064,437	1,360,637	1,643,390	11,345	15,426	21,270	27,153	41,085
Flax .. .. .. Tons	19,006	20,416	26,437	35,674	35,958	25,798	32,040	41,929	58,829	61,130
Cereals .. .. .. „	263,851	261,197	270,181	230,706	236,173	78,962	74,838	68,443	52,717	51,789
Raw cotton .. .. .. „	14,732	5,417	7,398	6,883	11,744	25,138	17,154	33,506	34,419	46,979
Cotton manufactures	..	..	..	..	..	5,212	5,975	7,766	9,407	15,899
Coffee .. .. .. Tons	20,615	19,032	17,828	19,237	20,672	34,798	35,688	33,197	36,453	35,265
Oil seeds .. .. .. „	63,940	60,124	47,282	61,025	80,888	27,020	26,551	20,196	24,410	33,973
Hides, raw .. .. .. „	13,709	17,966	14,565	18,036	19,621	27,429	34,144	24,768	30,680	31,395
Metals, minerals, &c., not otherwise specified .. .. .. „	95,917	216,903	277,824	354,102	482,399	9,605	17,622	19,725	24,537	28,944
Resinous and bituminous substances, petroleum, &c. .. .. „	26,288	30,575	41,841	47,611	56,857	7,887	15,288	25,105	29,995	28,429
Timber, &c. .. .. Cubic mètres	201,358	207,238	236,591	235,418	311,253	18,639	15,343	17,815	17,712	21,788
Silk .. .. .. Kilogrammes	72,258	90,464	105,577	129,581	97,484	3,285	4,177	4,747	7,310	6,824
Silk manufactures .. „	..	..	..	..	133,897	14,048	17,593	17,711	21,081	20,085
Animals—										
Cattle .. .. .. No.	73,474	68,251	64,882	63,391	54,122	19,465	16,819	14,795	14,425	11,907
Sheep .. .. .. „	93,515	93,729	94,654	101,324	110,556	3,049	3,051	3,101	3,316	3,648
Pigs .. .. .. „	25,770	30,357	21,221	25,163	40,403	1,366	1,609	976	1,007	1,616
Wine .. .. Hectolitres	77,636	129,416	125,711	133,114	146,871	8,924	13,695	13,550	14,546	16,150
Sugar, raw .. .. .. Tons	26,848	21,566	19,610	14,495	21,068	18,795	14,234	12,551	10,872	14,748
„ refined .. .. Kilogrammes	52,417	95,450	73,313	1,947	207,014	42	73	56	2	155
Manure .. .. .. Tons	93,258	23,436	117,403	147,000	72,278	16,934	17,782	23,830	30,724	12,287
Yarns, cotton .. .. Kilogrammes	257,910	239,082	212,100	311,171	855,492	2,646	3,345	2,895	4,261	8,983
„ woollen .. „	232,839	394,549	437,500	489,946	522,987	2,358	3,934	4,432	5,209	5,387
„ linen .. .. „	506,859	426,979	1,165,325	1,466,003	867,982	2,264	2,263	7,826	11,404	6,857

Statement of the Quantities and Value of Articles Imported into Belgium, &c.—*continued*

Principal Imports.	Quantities.					Value (in millions and thousands of francs).				
	1861.	1862.	1863.	1864.	1865.	1861.	1862.	1863.	1864.	1865,
Copper and Nickel—										
Unwrought .. .. .. Tons	2,791	2,768	2,820	2,414	3,425	7,345	7,301	7,447	6,380	8,906
Wrought	..	..	..	..	..	543	656	885	619	526
Dyes .. .. .. Tons	11,291	11,962	10,377	13,658	13,375	7,702	7,491	6,591	7,946	8,560
Chemicals	..	..	..	..	..	6,610	3,362	6,570	8,296	8,495
Butter .. .. .. Tons	1,456	1,678	1,686	2,295	2,987	3,495	4,531	4,217	6,429	8,364
Tobacco, raw .. .. .. ,,	6,638	5,663	4,795	5,707	5,914	9,697	10,148	8,546	8,515	7,689
Rice .. .. .. ,,	30,995	27,705	24,490	27,564	21,433	9,219	7,563	6,434	7,152	6,430
Haberdashery and hardware	..	..	..	..	..	4,987	5,252	5,413	5,720	6,305
Fish	..	..	..	..	..	3,771	3,735	4,428	4,544	4,968
Machinery	..	..	..	..	..	2,846	3,233	3,613	3,244	4,908
Fruits	..	..	..	..	..	3,041	3,153	3,462	3,438	4,589
All other articles .. .. Tons	5,731	6,153	7,183	7,188	8,344	69,736	85,880	91,941	87,989	157,495
.. .. ..	..	..	..	..	..					
Total Imports	..	..	..	..	..	556,424	587,358	609,644	683,825	756,420
In £ sterling (millions and thousands) ..	..	..	..	..	..	22,256	23,496	24,384	27,352	30,256

Statement of the Quantities and Value of the principal and other Articles Exported from Belgium, under the head of "Special Commerce," in each of the Years 1861 to 1865.

Exports.	Quantities.					Value (in millions and thousands of francs).				
	1861.	1862.	1863.	1864.	1865.	1861.	1862.	1863.	1864.	1865.
Flax, &c. .. .. .. Tons	18,056	19,596	21,117	27,016	36,304	28,361	34,090	36,583	47,442	61,717
Woollen manufactures .. .. ,,	1,846	2,587	2,786	3,032	3,018	28,814	38,563	41,946	43,062	54,325
Coal .. .. (* and coke) ,,	*3,379	2,892	2,891	3,324	3,568	54,065	43,380	40,474	46,530	49,948
Hides, raw .. .. .. ,,	13,062	12,512	14,010	14.024	16,893	26,126	23,774	23,819	23,842	27,029
Yarns, woollen .. .. ,,	661	788	1,337	2,299	2,404	6,352	7,774	13,544	23,446	23,561

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Statement of the Quantities and Value of Articles Exported from Belgium, &c.—*continued.*

Exports.		Quantities.					Value (in millions and thousands of francs).				
		1861.	1862.	1863.	1864.	1865.	1861.	1862.	1863.	1864.	1865.
Yarns, linen and hempen	Tons	2,658	2,917	3,262	3,671	3,354	12,805	15,146	19,067	24,720	23,479
Iron, unwrought	,,	64,971	79,683	97,808	150,160	117,889	11,861	13,627	16,671	25,646	20,041
Linen manufactures	..	..	..	..	..	..	29,501	30,254	34,043	41,725	19,240
Arms	..	..	..	..	..	..	18,264	23,257	19,401	16,394	17,163
Glass of all kinds	..	..	..	..	..	..	10,253	10,839	12,547	14,054	16,310
Cotton manufactures	..	..	..	..	..	..	15,183	17,543	17,502	21,618	14,710
Zinc, unwrought	Tons	23,348	23,822	24,001	22,546	27,514	11,813	12,152	12,395	11,663	14,307
Machinery	..	..	..	..	..	..	15,731	19,350	22,141	21,616	12,372
Butter	Tons	3,720	5,025	5,173	4,272	4,207	8,928	13,566	12,934	11,962	11,779
Coke	,,	..	397,000	437,000	459,000	503,000	..	9,533	10,061	10,546	11,558
Cattle, sheep, and pigs	No.	205,670	203,153	254,958	256,609	199,012	14,162	13,851	17,734	19,230	11,433
Resinous substances (petroleum)	Tons	2,694	6,265	11,854	19,126	22,184	808	3,133	7,112	12,049	11,092
Sugar, raw	,,	707	3,679	13,981	13,369	17,961	495	2,428	8,948	10,027	10,777
,, refined	,,	23,646	20,178	18,008	7,739	9,374	19,154	15,537	13,686	6,191	7,031
Candles	,,	1,955	1,934	3,086	3,991	4,189	4,887	4,832	7,714	9,997	10,472
Stone, cut and sawn	,,	368,196	399,332	443,217	439,795	455,149	4,164	7,887	8,857	8,612	10,468
Paper, of all kinds	,,	..	..	..	..	..	6,190	8,162	8,227	9,694	10,453
Horses	No.	11,708	10,907	12,577	14,561	12,883	7,531	7,102	8,183	9,493	8,374
Metals, minerals, &c., not otherwise specified	Tons	242,869	279,828	274,479	288,388	339,839	6,499	6,714	6,100	6,884	8,156
Wrought iron manufactures	,,	12,480	14,441	14,192	15,178	16,159	6,240	7,223	7,097	7,590	8,079
Cereals	,,	25,182	15,193	18,630	27,030	33,546	6,351	3,669	4,910	5,006	6,241
Hops	,,	2,134	1,701	1,633	1,389	2,530	5,335	3,402	2,777	3,335	6,072
Meat	,,	1,735	2,481	4,248	3,752	3,311	2,256	3,225	5,523	4,878	4,304
Wool	,,	2,592	3,811	1,304	1,253	1,329	9,886	11,529	3,964	3,818	3,988
All other articles	..	..	..	..	..	..	81,378	90,352	99,438	94,727	107,173
Total Exports	..	..	..	..	..	..	453,392	501,894	533,498	595,797	601,652
In £ sterling (millions and thousands)	..	..	..	..	..	..	18,136	20,076	21.340	23,832	24,068

(No. 6.)—*Trade with Great Britain.*

STATEMENT of the Quantities and Value of the Principal and other Articles Imported into Belgium from Great Britain in 1865, as compared with 1864. ("Special Commerce.")

Imports.		Quantities.		Value in £ Sterling.	
		1864.	1865.	1864.	1865.
Cotton	Tons	5,303	9,622	1,060,600	1,539,560
,, yarns	,,	274	695	153,200	291,880
,, manufactures ..	,,	..	..	162,280	215,400
Wool	,,	4,137	3,649	496,600	437,920
Woollen manufactures ..	Tons	598	678	466,800	677,640
,, yarns	,,	59	39	25,520	16,000
Resinous substances (petroleum)	,,	11,620	21,831	292,800	436,640
Flax	,,	4,694	4,196	246,600	285,360
Linen yarns	,,	505	614	148,280	194,080
Machinery		..	..	86,320	123,280
Copper and nickel, unwrought		..	..	102,040	121,800
Coffee	Tons	2,147	1,867	142,040	119,520
Oil-seeds	,,	5,818	6,187	93,080	103,960
Chemicals		..	..	54,880	94,520
Oils, of all sorts ..	Tons	2,224	2,972	97,760	125,080
Sugar, raw	,,	1,056	2,813	31,680	78,760
Iron and steel—					
Raw, cast, and old iron.	,,	6,977	23,422	22,600	75,880
Ditto, unwrought ..	,,	1,287	1,110	14,920	7,560
Ditto, castings ..	,,	270	321	5,400	5,960
Steel, unwrought ..	,,	1,300	2 200	62,400	10,560
,, manufactured		..	..	14,760	12,080
Hides, raw	Tons	1,527	884	103,840	56,600
,, prepared ..	,,	273	264	56,940	61,120
Dyes	,,	2,606	1,057	61,000	42,280
All other articles		..	..	754,860	690,480
Total Imports		..	..	4,757,200	5,823,920

STATEMENT of the Quantities and Value of the Principal and other Articles Exported from Belgium to Great Britain in 1865, as compared with 1864. ("Special Commerce.")

Exports.		Quantities.		Value in £ sterling.	
		1864.	1865.	1864.	1865.
Flax, &c.	Tons	8,367	11,836	588,840	804,880
Woollen yarns.. ..	,,	1,700	1,579	705,920	618,760
,, manufactures ..	,,	1,027	771	575,200	555,160
Butter	,,	3,310	3,294	371,760	368,880
Glass of all kinds ..	..	..	..	181,560	247,320
Paper	..	..	..	208,320	246,160
Sugar, raw	Tons	4,825	8,768	144,720	210,440
,, refined	,,	1,804	2,291	57,720	68,720
Arms	..	..	..	75,800	187,440
Fruit	Tons	14,876	11,470	175,320	183,520
Zinc, unwrought ..	,,	3,246	7,790	73,840	162,040
Meat	,,	3,283	3,092	170,720	160,800
Candles	,,	1,709	1,458	170,800	145,840
Iron and steel—					
Raw, cast, and old iron.	,,	5,920	83	19,200	280
Unwrought iron ..	,,	9,555	10,512	75 640	95,960
Castings, &c. ..	,,	1,229	1,403	24,560	21,000
Steel, unwrought ..	,,	79	113	3,760	5,400
,, manufactured ..	..	..	..	1,200	240
Hops	Tons	486	991	46,680	95,080
Tanners' bark	,,	6,726	10,648	53,800	85,200
Manure	,,	5,256	11,956	42,960	81,280
Cotton manufactures ..	..	..	..	118,520	74,320
Cattle	Number	13,395	22,844	61,840	73,520
Eggs..	,,	15,157,000	20,104,000	48,520	64,320
Hides, raw	Tons	247	856	16,760	54,760
,, prepared ..	,,	26	92	6.200	17,720
All other articles ..	..	..	..	595,000	727,520
Total Exports ..	..	..	..	4,615,160	5,356,560
Total Imports and Exports..		..	..	9,372,360	11,180,480

(7.)—NUMBER, Tonnage, and Crews of Foreign and Belgian Vessels (Sailing and Steam) Entered and Cleared at Belgian Ports in 1864 and 1865.

Flag.	Entered.						Cleared.					
	Number.		Tonnage.		Crews.		Number.		Tonnage.		Crews.	
	1864.	1865.	1864.	1865.	1864.	1865.	1864.	1865.	1864.	1865.	1864.	1865.
British	1,512	1,652	318,929	413,377	19,470	21,980	1,515	1,628	304,600	408,905	19,462	21,812
Swedish and Norwegian	511	558	111,053	131,109	4,539	5,132	505	554	112,341	131,552	4,480	5,057
Prussian	95	212	26,066	55,525	958	2,135	97	207	27,801	55,503	950	1,980
French	311	406	37,185	48,712	2,314	3,087	313	390	38,306	46,297	2,316	2,987
Hanover and Oldenburg	128	218	16,477	32,193	762	1,378	133	183	16,559	25,814	782	1,147
Hanseatic	65	80	27,472	30,730	1,087	1,243	59	85	22,724	34,514	962	1,230
Netherlands	195	172	27,803	27,668	1,234	1,061	188	157	26,966	5,041	1,163	1,033
Danish	778	131	19,950	18,110	1,168	971	177	141	20,000	7,743	1,145	1,112
Russian	49	38	18,167	16,632	739	613	47	38	17,931	16,191	700	596
Italian	60	48	16,599	15,404	722	583	65	44	18,032	13,881	764	528
Spanish	55	60	11,356	13,082	744	848	52	59	11,006	11,973	744	831
United States	53	13	56,436	12,479	1,093	242	51	14	55,562	12,422	973	246
Austrian	30	31	12,075	9,911	400	365	26	31	8,537	10,458	308	378
Mecklenburg	10	15	2,913	5,015	105	170	9	14	2,441	4,869	94	157
Greek	7	3	2,115	1,068	84	39	6	4	1,828	1,355	70	46
Argentine	4	2	1,241	609	49	24	4	2	1,241	794	47	29
Chilean	1	..	780	..	22	..	1	..	780	..	21	..
Portuguese	2	..	426	..	23	..	3	2	464	522	29	23
Brazilian	1	..	186	..	12	..	1	..	186	..	11	..
Belgian	863	887	87,358	89,117	14,491	15,204	866	891	91,918	9,915	14,597	15,253
Total	4,130	4,526	794,596	920,831	50,016	55,075	4,116	4,444	779,223	911,749	49,618	54,445

(8.)—Number, Tonnage, and Crews of Belgian and Foreign Vessels (Sailing and Steam) Entered and Cleared, with Cargoes only, at Belgian Ports in 1865.

Flag.	Entered.			Cleared.		
	Number.	Tonnage.	Crews.	Number.	Tonnage.	Crews.
Belgian ..	264	78,119	4,029	219	67,836	3,630
Foreign ..	3,580	815,720	38,981	2,202	512,354	27,584
Total ..	3,844	893,839	43,010	2,421	580,190	31,214

(9.)—Total Number and Tonnage of all Vessels (Sailing and Steam) belonging to the Merchant Navy of Belgium, on the 31st of December, in each of the following Years.

Years.	Number of Vessels.			Tonnage of Vessels.		
	Sailing.	Steam.	Total.	Sailing.	Steam.	Total.
1837 ..	151	4	155	21,620	1,477	23,097
1842 ..	145	7	152	22,957	4,904	27,861
1847 ..	140	3	143	25,458	1,718	27,176
1852 ..	155	5	160	33,700	1,312	35,012
1857 ..	142	5	147	40,397	2,050	42,447
1859 ..	131	4	135	35,632	1,559	37,191
1860 ..	108	8	116	28,857	4,254	33,111
1861 ..	103	8	111	27,252	4,484	31,736
1862 ..	96	7	103	25,663	3,284	28,947
1863 ..	91	6	97	24,533	2,714	27,247
1864 ..	99	8	107	30,902	4,075	34,977
1865 ..	104	8	112	35,509	4,220	39,722

Japan.

Report by Mr. Locock, Her Majesty's Secretary of Legation, on the Weights, Measures, and Currency of Japan.

Yokohama, January 10, 1867.

The system of notation in Japan is decimal, and most, though not all, of the weights and measures bear a decimal proportion to each other. In the coinage the decimal system has been neglected for one which, though less convenient, is more natural; the silver coins have been halved and quartered; the copper have been doubled and re-doubled. But even here the decimal has been called in, as if to preserve the calculator from the difficulties of the other system, imperfectly developed: 96 is allowed to pass for the square of 10.

The writer of this Report has endeavoured to obtain as authentic data as were at his command. He has been kindly furnished by the Minister of Finance with information on several points. As an instance, however, of the facility with which errors may occur, it may be mentioned that between two of the specimens of the Japanese unit of weight supplied to him by the Government, and purporting to be accurate, there was a difference of exactly one-third of a grain troy.

The Tables of weights and measures, and their English equivalents, vary in several particulars from those previously drawn up. The changes have not been made without consideration, and until repeated experiments had proved their necessity. The purely arithmetical calculations have been conducted with care, so that no error might creep into them. They have been based on the assumption that one Chinese tan or picul is equal to $133\frac{1}{3}$ lbs. avoirdupois; that the English foot exceeds the Japanese kaneshaku by $\frac{1}{22}$ of an inch; that the Imperial gallon contains 138·637 cubic inches; and that 768 grains avoirdupois are equivalent to 700 grains troy.

Weights.

There is but one Table of weights in Japan. It is a compound of the Chinese monetary and commercial weights, the smaller weights being borrowed from the former, and the larger from the latter. It has been possible to effect this combination without confusion, in consequence of there being in the two Chinese scales a weight common to both, namely, the liang or tael, equal to 10 Japanese me or momme.

Below is a Table showing the weights expressed in their Japanese and Chinese names, with their corresponding values in English avoirdupois and troy weights :—

	Chinese Name.	Avoirdupois.	Troy.
		Drachms.	Grains.
10 mo equal to 1 ring ..	Li or cash ..	·0213	·5824
10 ring equal to 1 fung ..	Fan or candareen	·213	5·824
10 fung equal to 1 momme .	Tsien or mace ..	2·13	58·24
4 momme equal to 1 riome .	None	8·52	232·96
(10 momme equal to ..	1 liang or tael .	21·33)	
		lb.	
160 momme equal to 1 king.	Kin or catty ..	$1\frac{1}{3}$	
(100 king equal to	1 tan or picul ..	$133\frac{1}{3}$)	

The two lines in parentheses express the equivalent in Japanese weights of certain well-known Chinese weights which are much in use among foreigners in Japan. They have no existence as pure Japanese weights, any more than hiakume, quamme, and two or three others which appear in most foreign works containing Japanese Tables of weights and measures. The only name by which the Japanese know the Chinese liang or tael is Jumme, literally 10 me or momme, in the same way as hiakume signifies 100 me, and quamme 1,000 me. To use them as individual weights sound as absurd to a Japanese ear as it would appear to an Englishman if he heard the quantity 7,451 tons 3 cwt. 3 qrs. expressed as 7 thousand-tons 4 hundred-tons 5 ten-tons 1 ton 3 cwt. 3 qrs.

The riome is used exclusively for weighing drugs.

If we inquire into the value of the Chinese liang or tael (equal to 10 Japanese momme), we find that it is reckoned as equal to 2,400 shu, or grains of millet; it is thus to the millet-seed that may be traced back the original unit of the Japanese weights in the same manner as the barley-corn is the starting-point of the English long measure.

The following Table shows the approximate value in Japanese weights of the various denominations of the English avoirdupois and troy scales:—

Avoirdupois.

1 drachm equal to	..	·4695 momme
1 ounce equal to	..	7·5117 „
1 pound equal to	..	120·187 „
1 hundredweight equal to	..	13461 „
1 ton equal to	..	269220 „

Troy.

1 grain equal to	..	·01717 „
1 pennyweight equal to	..	·4121 „
1 ounce equal to	..	8·242 „
1 pound equal to	..	98·1 „

Measures.

Long Measure.—From the nomenclature as well as from some of the proportions of the Japanese ordinary measures of length, it is evident that it was originally derived from the Chinese. But as, according to Dr. Roudot, the Chinese unit of length, the chih, varies to such an extent in different parts of the Empire that there are no less than eighty-four different values of it, varying from 9·92 to 15·769 inches, it is not to be wondered at that there is no one of them which exactly corresponds to the integer Kaneshaku or metal foot of Japan.

The following is a Table of the Japanese long measure, or carpenter's measure, as it is often called, with the English values of each division.

1 ring	=	·011954 inches or	·000996	feet.
10 ring = 1 bu	=	·11954 „	·00996	„
10 bu = 1 sung	=	1·1954 „	·09962	„
10 sung = 1 shaku	=	11·954 „	·9962	„
6 shaku = 1 keng	=	.. .. ..	5·9772	„
60 keng = 1 choo	=	.. .. ..	358·636	„
36 choo = 1 ri	=	12910·9 feet or	2·4452468	miles.

Below are the Japanese equivalents of the principal English measures.

1 inch	=	·08378 shakus.	
1 foot	=	1·005362 „	
1 yard	=	3·016086 „	
1 pole	=	16·588473 „	
1 furlong	=	663·539 „	
1 mile	=	5308·312 „	
1 geographical mile	=	6119·304 „	
1 degree	=	367158 „	or 28·330111 ri.

The Japanese long measure is not arranged with any reference to the earth's axis or circumference, having existed in its present form previous to any precise knowledge on the subject having been arrived at. It was from the Dutch that the Japanese later acquired the idea of the division of the earth's circumference into degrees.

Cloth Measure. — Though this measure somewhat resembles at first sight the ordinary long measure. the two are not identical in any respect, inasmuch as the Kudjiradjaku, or Whalebone shaku, which is the unit of the former, is equal to $1\frac{1}{4}$ shakus of the latter.

The following are the divisions of this measure, with their English equivalents:—

10 bu = 1 sung = very nearly $2\frac{1}{2}$ inches.
10 sung = 1 shaku = very nearly $1\frac{1}{4}$ feet.
10 shaku = 1 djoo = very nearly $12\frac{1}{2}$ yards.

Superficial Measure.—The integer of this measure is the Kanedjaku, or metal shaku, with which we have already had to deal. Its multiples, and the value of each are as follows:—

1 square shaku	=	·99244	square feet.	
36 shaku = 1 tsubo	=	35·72784	„	
30 tsubo = 1 se	=	107·184	„	
10 se = 1 tang	=	1071·84	„	
10 tang = 1 choö	=	10718·4	„	or nearly $\frac{1}{4}$ of an acre.

Below are given the values in Japanese measurement of the principal English measures.

1 sq. foot	=	1·010748 sq. shaku or	·028076 tsubo.
1 sq. yard	=	9·09675 „	·25268 „
1 sq. pole	=	295·6443 „	8·2123 „
1 rood	=	.. ..	305·75 „
1 acre	=	.. ..	1223 „
1 sq. mile	=	.. ..	782725 „

The Japanese occasionally make use of the mat as a mode of measurement; the mats are invariably of the same size, viz., six shaku (feet) long by three shaku wide. A Japanese house is generally so constructed that the floor of each room can be exactly covered by a larger or smaller number of these mats which serve as a carpet.

Solid or Liquid Measure.—The names and proportions of the various divisions of this measure are almost entirely derived from the Chinese. Their values, however, vary, nearly in the proportion of 10·6; while the smallest

Japanese measure contains 1,000 grains of millet, the corresponding Chinese measure contains but 600 grains.

The following Table gives all the Japanese measures of capacity with their corresponding Chinese names and their respective values in English cubic and Imperial liquid measurement.

10 sai	= 1 shiyaku (choh)	=	1·1075 cubic inches.	
10 shiyaku	= 1 ngoö (koh)	=	11·075 ,,	or ·3195 pints.
10 ngoö	= 1 shoö (shing)	=	110·75 ,,	or 3·195 ,,
10 shoö	= 1 to (tau)	=	1107·5 ,,	or 3·9942 gallons.
10 to	= 1 koku	=	6·409 cubic feet	or 4·9928 bushels.

The Japanese standard measures as well as those in common use, are rectangular, the bases being square. The exact size of the shoo which is the unit of the scale is sung 4·9 × 4·9 × 2·7. Reckoning the sung at 1·1,954 inches, the shoo contains 110·75 cubic inches, as above.

The revenues of the great Princes or Daimios of Japan, even though partially paid in money, are measured in kokus of rice. Thus, the revenue of the Prince of Satsuma is computed at 760,800 kokus, and that of the Prince of Mito at 350,000 kokus. Titsingh (A.D. 1780) represents the koku of rice to correspond in value to the gold coin called a kobang, the value of which was 18*s.* 4½*d.* Carow, who lived in the previous century, gives as the current value 10 guilders, or 16*s.* 8*d.* Sir Rutherford Alcock valued the koku at 13*s.* 10*d.* Rice has since then risen so much in price that a koku is now valued at 9 rio or 2*l.* 11*s.*

The total annual revenues of all the great landed proprietors of Japan were, according to Caron, computed to amount about the middle of the seventeenth century to 28,345,000 kokus, or about 4,500,000 of tons. The official returns on which this calculation was based are, however, to be little relied on; they were drawn up in the beginning of the seventeenth century, and have been but occasionally altered since. Even when first prepared they were often far from correct, for where the rent was paid in coin the koku was frequently reckoned at an absurdly low figure, in order to swell the apparent revenue of the proprietor. The temptation to such over-valuation is apparent, when it is remembered that, in Japan, revenue confers rank and its corresponding privileges. One of the highest rights of the Japanese noble, that of personal audience of his Sovereign,

depends on his having the required income; only Daimios, possessing a revenue of not less than 100,000 kokus of rice are admitted to the Mikado's presence; the Emperor cannot countenance poverty.

The koku is further employed in the measurement of vessels, the calculation of crops, the assessment of taxes, and the imposition of fines.

Currency.

The Japanese currency has from the earliest times been at the mercy of such accidents as the discovery of new mines of gold, silver, or copper, the admission or exclusion of foreign merchants, and the operations of foreign trade. We may thus trace how edicts have been framed to limit or forbid the export, the import, or even the very use of certain coins, how the relative values of gold, silver, and copper have been violently altered to check an illegitimate commerce, or how new coins have been introduced to meet the exigencies of an embarrassed exchequer.

In consequence of the seclusion to which Japan has for ages more or less relentlessly condemned herself, the relative values of her gold and silver have depended rather on the productiveness of her own mines than on the proportion between the two metals as it existed in the rest of the world.

The earliest foreign writers concur in showing that there was a marked disproportion in favour of gold, from its rich mines of which Japan was at a very early period famous.

Marco Polo, who wrote as far back as A.D. 1298. and related the expedition which had been undertaken against Japan by Kublai Khan, at whose Court he resided for many years, says—"The inhabitants of Zipangu have gold in the greatest abundance, its sources being inexhaustible; but as the King does not allow of its being exported, few merchants visit the country. Hence the wonderful richness of the Sovereign's palace, according to what we are told by those who have access to the place. The entire roof is covered with a plating of gold, in the same manner as we cover houses, or, more properly, churches with lead. The ceilings of the halls are of the same precious metal; many of the apartments have small tables of pure gold,

considerably thick; and the windows also have golden ornaments. So vast, indeed, are the riches of the palace that it is impossible to convey an idea of them."

An old Spanish writer of the seventeenth century confirms this account of the unusual mineral wealth of the empire even down to minute particulars, stating that in his day the palace at Yeddo, as well as many of the Daimios' yashkis, were literally covered with plates of gold.

Kämpfer, who wrote in the beginning of the eighteenth century, thus speaks of the wealth of Japan, with which he was acquainted better than any other foreigner of his time:—"The greatest riches of the Japanese soil, and those in which this empire exceeds most known countries, consist in all sorts of minerals and metals, particularly in gold, silver, and copper."

The natural result of this unusual abundance of the precious metals was their exportation by all those foreign merchants who were at one time or another permitted to trade with Japan. For some reason, probably such a one as led in later times to the run on the gold currency, demand was first made for silver.

Ralph Fitch, an Englishman, who was at Malacca in 1588, and describes the trade of the Portuguese merchants with Japan, writes thus:—"They have a great carac, which goeth thither every year, and she bringeth from thence every year about 600,000 crusados" (more than 500,000 dollars).

In one year, 1637, six Portuguese galliots visited Japan with cargoes of silk, and carried away in exchange over 3,000,000 dollars. It will probably be within the truth to say that in the course of the ninety years during which the Portuguese traded with the country (1548–1638) not much less than 50,000,000 dollars worth of silver, or more than 10,000,000*l.* sterling, were taken out of the country.

The Dutch, who opened trade in 1609, were not behind the Portuguese in their pursuit after the precious metals. In 1640 we find them exporting 1,400 chests of silver, each of 1,000 taels, that is, nearly 2,000,000 dollars.

From this time gold usurped the first place hitherto held by silver as an article of export. In the two years 1670-71 more than 100,000 gold coins called kobangs or 180,000*l.* were exported.

If dependence is to be placed on a Japanese pamphlet

on the origin of the riches of Japan, written in 1708, by Arrai Tsikugo no Kami, the following amounts of silver and gold were conveyed out of the country from 1611 to 1706:—silver, 112,268,700 taels (nearly 34,000,000*l.*); gold, 6,192,600 kobangs (over 11,000,000*l.*).

An edict was issued in 1671 prohibiting the further export of silver, and the following year, with a view to render the export of the gold kobang less remunerative, its nominal value was raised in the proportion of 17 to 15; at all events, the Dutch were made to receive it at this rate, though it is doubtful whether it ever obtained currency at that rate in the country.

In 1696, its fineness was, with the same object, reduced from 20 carats 10 grains to 13 carats 7 grains.

In 1710, a still more violent change was effected by reducing its weight from 4·7 momme (273·7 grains troy) to 2·5 momme (145·6 grains troy), though in 1730 a slight improvement to the extent of about 5 per cent. was made in the fresh issues of this coin. About this period the export of gold ceased.

But in 1664 a run had commenced on the copper coinage of the empire, and went on increasing till in 1685 a law was passed to limit the annual export to 25,000 piculs (1,480 tons).

In 1714, it was found necessary to reduce the amount to 15,000 piculs (888 tons); while in 1721 a still further reduction was effected, and the total amount limited to 10,000 piculs (592 tons). Nevertheless, we learn from the pamphlet above quoted that the export of copper from 1663 to 1708 amounted to not less than 11,144,467 piculs (563,857 tons).

According to Sir Stamford Raffles, who was Governor of Java during the short period that that island was in the hands of the English, and who thus obtained access to many valuable papers of the Dutch East India Company, in the 200 years from A.D. 1540 to A.D. 1740 Japan must have been drained of bullion to the value of 200,000,000 dollars.

The first money coined in Japan, according to Kampfer, was struck, or rather cast, A.D. 708, in the reign of a female Mikado named Genmisteno. A native work quoted by Hildreth, in his valuable work on Japan published in 1856, attributes the honour of making the first gold coins to Taico-Sama A.D. 1590. Japan has had as extensive a

numismatology as most countries; a native treatise published in 1822 at Yeddo contains descriptions and engravings of 550 different coins.

Reference has already been made to the kobang. There are other gold coins mentioned by Kämpfer as current in his time, but they were merely multiples or parts of that coin, and were not in very common circulation. Silver coins properly so called seem hardly to have existed, that metal obtaining currency according to weight certified by Government marks of stamps. The ordinary small coinage of the country was the copper, or iron and copper, sein or kas; these were circular, with a square hole in the middle, for the purpose of stringing. Some were of double size and value.

When the American Commodore Perry visited Japan with his squadron in 1853, he found the following coins in circulation:—

1. A small round coin with a square hole. It was called cas or cash by the Americans.

2. A similar larger coin weighing less than two of the former, but bearing a fourfold value. It was probably the two-kas piece mentioned by Kämpfer.

3. A large lozenge-shaped bronze coin called a tempo, bearing a nominal value of 96 or 100 kas, but intrinsically worth only 7 of the old kas. The result of the introduction of this highly over-valued coin had long since been to drive out of circulation the old copper kas of Kämpfer's time, and to increase the nominal value of everything as reckoned in the new kas.

4. An oblong silver coin, called an ichibu, or bu, and valued at 16 tempo, or 1,600 kas.

5. A smaller coin of the same shape, equal to a quarter of an ichibu.

6. A similarly shaped coin, composed of gold and silver, and worth half an ichibu.

7. A small oblong gold coin, valued at 1 ichibu.

8. A very thin oval gold coin, valued at 4 ichibus, but intrinsically worth much more. This coin was called a kobang.

9. A much larger coin similar to the last, and called an obang.

The Japanese currency was at this time in a very anomalous state, owing to the over-valuation of the silver coins as compared with the copper and gold coins. The

silver ichibu was a coin which obtained circulation, not in accordance with anything approaching the worth of the metal it contained, but at a rate more than three times that value. A person purchasing manufactured articles was expected to pay less than half their weight in ichibus. Gold bullion or coins might be purchased, it was said, for three and a-half times their weight in silver coins. The ichibu was in every sense a token coin.

The Commander and officers of the American squadron, however, were unable to view the matter in this light, and attempted to force their silver dollars into currency, at a value corresponding to their exact weight in ichibus. The Japanese resisting, a Mixed Commission was named to try and settle the question.

The Japanese Commissioners contended, with perfect justice, that they ought not to be required to take the dollars at more than their bullion value, the same as that at which they obtained their silver from the mines, asserting that, as their foreign die and assay gave them no additional value, they were worth no more to them.

The American Commissioners, on the other hand, maintained that, at this rate, the Japanese Government would make a profit of 66⅔ per cent. on every dollar paid them, with the trifling deduction of the expense of re-coinage, and condemned such an arrangement as unjust.

An account of the discussions which took place on this occasion is contained in the Report of the American Commissioners to Commodore Perry. It might have embodied some valuable information, which would have served as data to guide the American Minister on a subsequent occasion. Unfortunately it served only to confuse, and remains a specimen of false reasoning and bad English.

The matter remained thus until 1858, when Mr. Harris, sent as American Plenipotentiary to Japan, concluded, on the 29th July, a Treaty, of which the following is an extract :—

"All foreign coin shall be current in Japan, and pass for its corresponding weight of Japanese coin of the same description.

"Americans and Japanese may freely use foreign or Japanese coin in making payments to each other.

"As some time will elapse before the Japanese will be acquainted with the value of foreign coin, the Japanese Government will, for the period of one year after the

opening of each harbour, furnish the Americans with Japanese coin in exchange for theirs, equal weights being given, and no discount taken for re-coinage.

"Coins of all descriptions (with the exception of Japanese copper coin) may be exported from Japan, and foreign gold and silver uncoined."

These stipulations have since been condemned by politicians, diplomatists, and financiers of more than one nation. They have been described by a high authority as "strange and anomalous, in violation of every principle of international law, and utterly unjustifiable both politically and financially considered."

The wholesale spoliation of the Government by foreigners was the inevitable result of such terms of barter, which were copied nearly textually into the Treaty of every other nation which obtained access to the country. The process was so simple and so easy. The merchant took his 100 dollars to the Custom-house and obtained for them token coins, weight for weight, *i. e.*, 311 ichibus; with this money he went into the market and bought gold kobangs to the value of between two and three times the intrinsic value of his dollars: he had only to send these kobangs to Shanghae and convert them back into dollars there, to recommence the operation. The gain to the foreigner and the loss to the Japanese was between 100 and 200 per cent.

The abuse carried its cure with it. The kobangs came to an end, or rather the silver token coins, of which from the very fact of their being tokens the supply was very limited, became exhausted. It was useless for foreigners to appear with their stupendous demands for ichibus, and point to the monetary Article of their Treaties; there were no bus to be had, or, at least, not a millionth part of what would have satisfied their demands. To have carried out such a stipulation for the space of one year, on such terms, would in any country in the world have been an impossibility.

It may be a matter of doubt whether the Japanese Government, when they consented to sign the Treaty with the United States, had not already devised a plan for averting the catastrophe to which we can hardly believe them to have been blind. It was the opinion of Her Majesty's Representative here, at the time of the discus-

sions which followed, that they had had such a plan in contemplation. Certain it is that when the first foreign settlers arrived in Japan in July 1859, they found that means had already been prepared to meet the difficulty. A new silver coin had been put into circulation at the open ports of the denomination of a half-ichibu, but containing as much silver as an ichibu and a-half of the old currency, so that two of these coins were about equal in weight to a Mexican dollar. As the kobang still passed as 4 ichibus, it is evident that the foreigner, instead of obtaining the kobang for about $1\frac{1}{3}$ dollars, would have to pay nearly 4 dollars for it, which was about its true value.

A circular had at the same time been promulgated by the Government, announcing to the inhabitants the issue of this new coinage, but informing them that temporarily, and until there had been time to recall the old coins, these latter would continue to circulate as before.

The measure was at once resisted as an infringement of the spirit if not the letter of the Treaties. The old token ichibus had not been recalled, they were to be found in the hands of native dealers in the open ports, and, moreover, the natives who received from the foreigner the new coins were, it was affirmed, compelled to take them back to the Custom-house and receive token coins in their place. How, it was asked, could coin which was struck exclusively for foreign use be termed Japanese coin? The whole thing was pronounced a clumsy contrivance to diminish the purchasing power of the dollar by two-thirds, to levy a tax on foreign trade of 200 per cent., and put the profit into the tills of the Government.

But was it contrary to the spirit of the Treaties that the Government should take means to reduce the purchasing power of the dollar to its true value (for they aimed at no more), and prevent a drain of their gold at a loss of nearly 200 per cent.? If so, then we can but conclude that the spirit and object of the Treaties were not the establishment of a fair and reciprocal trade, but the spoliation of the country and the alienation and hostility of its inhabitants. It might have been better had the Japanese Government actually called in the old coinage before the arrival of the foreigners; but it may well be questioned whether, with the very limited capabilities of their Mint, it would have been possible, in so short a space

of time, to change the silver currency of a whole country, especially when it would have entailed increasing its intrinsic value three-fold.

But whatever the merits or demerits of this measure it was nipped in the bud by pressure from without. The new half-ichibus were recalled, and though on a subsequent occasion the question was again revived no result was obtained.

In the early part of 1860 another alteration in the currency was effected in the place of the former, at the instance of at least one Foreign Minister, who had long urged on the Government the adoption of some such comprehensive measure. Of the five gold kobangs which existed, the nominal value of the two most in use was changed from 4 to 13½ ichibus. The effect of this measure in arresting the export of gold was most satisfactory. But when it is reflected that the ichibu having thus lost its token value fell in a day to one-third of its former value, and that it carried with it the whole of the copper and iron currency, which maintained its former proportion to the ichibu, we cannot but see that the confusion and loss which must have occurred in every quarter of the Empire must have been tremendous. The effect to the foreign merchant was the same as what would have occurred had the original proposal of the Japanese Government been allowed; the dollar, it is true, now passed current in the open ports occasionally at 3 ichibus, but those ichibus possessed only one-third of their former value; the adoption of the other plan would have effected no more and no less, except indeed that it would have saved the nation from a derangement of its currency as great and as sudden as it has perhaps ever fallen to the lot of any country to suffer.

Before the close of 1860 a new gold kobang was brought out, less than one-third of the value, both intrinsic and nominal, of those previously in circulation. Since then no further alteration has been effected in the currency.

On the 1st July, 1860, the year during which the Japanese Government were by Treaty compelled to exchange foreign coin weight for weight expired, and the rate of exchange immediately fell, until in September it reached the low figure of 200 ichibus to the 100 dollars. In consequence of the Government effecting large purchases at this low rate for the use of their Mint, dollars

rose slightly, but for a long period they were quoted at from 230 to 250 ichibus per 100 dollars. It has been somewhat the custom to lay this depreciation of foreign coin at the door of the Japanese Government, and to assert that they placed impediments in the way of its free circulation. But this is an accusation which was never proved on the one side, and always denied on the other. It is, moreover, a fact that edicts were promulgated declaring the dollar current weight for weight, while the method was also tried of giving it freer circulation by stamping it with a Government stamp declaring its value to be 3 ichibus. The simpler explanation of fali was probably the truer one, viz., that the balance of trade being dead against foreign countries, their silver bullion had become comparatively speaking, a drug in the market, which was not required for purposes of manufacture, was not looked on with favour for hoarding, and was more than was wanted for the use of the Mint.

Nor was the low rate of exchange without its good effect upon trade. The operations of foreign merchants had at first been devoted too exclusively to deriving immediate advantages from a highly remunerative export trade, and they had given but little attention to forming a market for the manufactures of Europe. But with a large amount of dollars floating in the market at a discount, it soon became evident that the loss on them, which had been suffered in purchasing silk from the native, might be recovered by taking them back at the same rate in exchange for cotton. A rapidly increasing import trade was the result, and the result of this again was a rise in the exchange, until on one occasion the 100 dollars rose to 316 bus, or even more than their intrinsic value.

Only a few words need here be said on the exchange granted by the Japanese Government to the different foreign services. The use or the abuse of this privilege is now, and is likely to remain, a thing of the past. For several months the rate of exchange in the market has been as often above as below the rate at which the Japanese Government allow officials to convert their pay into ichibus at the Custom-house; and the English Diplomatic Service at all events has ceased to avail itself of it. But it should be observed—for it is a point which has been strangely overlooked in discussions on this subject—that whereas the foreign services in Japan have never been

allowed more than 298 ichibus for their 100 dollars, the Government thus deducting over 4 per cent. for the cost of coinage, foreign merchants in Japan have from the first obliged, and still continue to this day to oblige, the Government to receive duties (which are levied in ichibus) at the still more advantageous rate of 311 bus to the 100 dollars, leaving thus no margin whatever to pay for recoinage.

The coins now in circulation in Japan may be enumerated as follows:—

1. The rio or kobang, a thin, oval gold coin weighing ·88 momme (51·25 grains troy). According to assay made in the English Mint in December 1862, a specimen of this coin weighed—

	Oz.		Gr. troy.
Gold	·0618	or	29·664
Silver	·0445	„	21·36
Copper	·0004	„	·192
Total	·1067		51·216

Its intrinsic worth was accordingly estimated at about 5*s.* 6*d.* sterling. The kobang is valued at 4 ichibus. It is now but rarely coined, and is fast disappearing from circulation, though under the name of rio it is still the nominal money of account.

2. The bu or ichibu, from "ichi," one, and "bu," a portion, is an oblong, silver coin, which should weigh, when new, exactly 2·3 momme (grains troy 133·95). Owing, however, to defective mintage, there is considerable variety in the actual weight of different coins all equally new. A great many of them are made of Mexican dollar silver in the proportion of 311 to 100 dollars; their intrinsic value has accordingly been estimated at 1*s.* $4\frac{73}{100}$*d.* sterling. Four ichibus are nominally equal to 1 rio.

3. The nibu, or 2-bu piece, a yellow oblong coin composed of gold and silver mixed. Its proper weight is 1·6 momme (93·184 grains), and it should contain ·35 momme (20·384 grains) of gold and 1·24 momme (72·217 grains) of silver. Its nominal value, as its name implies, is 2 ichibus, or half a rio.

4. The ishu, a small oblong silver coin, should weigh when it leaves the mint exactly half a momme (29·12 grains). Its nominal value is a quarter of an ichibu, but its intrinsic worth is rather nearer one-fifth of that coin.

It is composed generally of Mexican dollar silver, or silver of very nearly the same standard.

5. The nishu, or 2-shu piece, is a silver-gilt coin of similar shape to the other rectangular coins. Its value is two of the last denomination, or a half-ichibu. Its weight, owing to the nature of its composition, is immaterial. It is, moreover, but little coined now, and will probably soon disappear.

6. The zeni, or mongseng, is now an almost purely iron coin of hardly any intrinsic worth. Its shape is circular, and, like the Chinese kas, it has a square hole in the centre for the purpose of stringing. Its nominal value varies from time to time. At present it is reckoned at one-1,700th of an ichibu. A few months ago it was reckoned at 1,600 to the ichibu. Though the coinage of the zeni has not been formally discontinued, none have for some time been struck at the Tycoon's Mint. The right of coining it is, however, allowed to certain of the Daimios. The iron coinage of the Prince of Sendai obtains currency in Yeddo. Prince Satsuma issues an iron coinage, but being especially intended for the Loochoo Islands, it is of another shape, and does not obtain currency in the Tycoon's territories.

7. The hachi-mongseng, or 8-mongseng piece, is a mixed iron and copper circular coin, with a square hole in the centre. It is the very same coin which formerly passed as a shimongseng, or 4-mongseng piece. It is now no longer issued.

8. The tempo, called also hiyaku-mongseng, or 100-mongseng piece, is the highest denomination of copper or bronze money, being a large oval coin, with a hole in the middle. It derives its name, "tempo," from the name of the reign in which it was introduced (A.D. 1830–1843), for the purpose, it is said, of enabling the Government to liquidate their debts at a cheap rate. According to an assay made in 1863 at the English Mint, it was found to weigh about 317 grains, and to be composed of copper, tin, and lead, in the proportions of 81, 9, and 10, which made its intrinsic value at that time to be ·446*d.*, or about nine-tenths of a halfpenny. Its intrinsic value is less than ten of the old copper zeni or kas, but it passes for 12 hachi-mongsengs, or 96, or rather (for simplicity's sake) 100 of the new iron zenis. A few months back 16 tempos were

reckoned to the ichibu, but now the number is 17, the value of the tempo being dependent on the price of copper. The tempo is the only copper or bronze coin which is now struck. Its composition and its size are well adapted for casting, and it is decidedly the best made coin in Japan.

In addition to and alongside of the regular coined currency of Japan, there exists another uncoined and irregular currency. It has already been alluded to as having existed in former days. It consists of irregularly-shaped pieces of silver, of small fineness, and varying considerably in size; bearing, indeed, a small Government stamp, but passing according to weight. They are rarely seen in Yeddo, where the ichibu has obtained an extensive circulation, and is a more favourage medium of exchange. The existence of this currency, and the peculiar way in which it is reckoned, are calculated to give rise to some confusion in the mind of any one not well acquainted with it. At a somewhat remote period the gold rio, or kobang, was valued at 60 momme weight of this inferior silver. As the rio diminished in size and value, it still preserved its denomination of 60 momme, and when the later the ichibu, or quarter-rio, was introduced, it at once passed as 15 momme, though in fact it only weighed about one-sixth.

But the anomaly does not end here. The metal lumps are so much more debased than they used to be that a hundred momme weight of them are intrinsically worth only sixty of them as they used to exist, and accordingly pass current as sixty momme.

The following case will serve to explain the working of the system. A man enters a shop at Kioto, and inquires the price of a lump of standard silver bullion, which weighs exactly 10 momme. He is told, perhaps, 60 momme. He has two modes of paying this sum. The one will be to put down 4 silver ichibus, which at their nominal rate of 15 to the ichibu, is equal to 60 momme, though in reality they only weigh 9·2 momme. The other will be to pay in metal lumps; but in this case, instead of putting down the number of mes or mommes which were demanded, he will have to weigh out 100 momme, that being the rate at which the metal lumps now pass current.

Accounts are kept on both systems of currency, varying according to place and occupation, as well as accord-

ing to the subject to which the accounts refer. Thus, a horse-dealer or a carpenter will keep his books which have reference to his trade in rios, bus, and mongsengs, while a silk merchant or draper will keep his in currency momme. Government accounts are kept on both systems, though generally on the rio system.

Reference has been made more than once in this Report to the Government Mint. It consists of three establishments situated in different parts of Yeddo, there being one for each metal. The gold mint has recently been destroyed by fire, but a description of the silver mint, the only one yet visited by foreigners, may not prove uninteresting. The building, which consists of an agglomeration of wooden sheds of the poorest description, is situated in a narrow street in the mercantile portion of the capital. The eye is attracted on entering by groups of men squatting on the ground, occupied in weighing, hammering, cutting, sorting, and packing. A few officers circulate from shed to shed preserving order and issuing directions. The process of minting an ichibu is thus conducted. A lump of silver of the necessary fineness, obtained either from the Government mines, or by melting down Mexican dollars, is placed in an iron ladle and reduced to a molten state by means of a charcoal fire and a pair of blacksmith's bellows. It is next poured into a mould, from which it is taken out in the shape of thin rectangular bars, which are immediately thrown into a tub of cold water. On being taken out they are handed to a man seated on the ground, who with a pair of large fixed scissors shears off all jagged pieces adhering to the angles. They are still further improved by hammering. They are now handed to another man who, holding a balance in his left hand and weighing them one by one, divides them into different parcels according to their weight. Another man then takes a bundle at a time and cuts off from one end of each bar what he estimates will reduce it to its proper weight, which is 19 momme. Of this weight 6 fung are allowed for waste in the subsequent processes, leaving a net weight of 18·4 momme to the bar.

The next process is that of dividing the bar into eight equal portions of the size of ichibus. This is effected by a fixed pair of shears. The workman takes a bar, cuts it as nearly in half as his practised eye will enable him to do; he then divides the halves into quarters and these again

into eighths. The weighing here re-commences and tests the skill of the cutter, the pieces being separated into different groups according to their weights, and those which are too light being rejected. The scissors are again in requisition to reduce the heavy ones to their proper weight, after which the light ones are again weighed and weeded out. They are now heated white hot in a charcoal fire, plunged into water, boiled and washed in a kind of brine from which they come out with a moderately bright surface. They are next very slightly milled on the two sides, and more deeply on the edges, by means of a milled hammer. They are now ready for stamping which is performed in the following manner. A man places with his left hand one of the pieces on a stationary die, while with his right he places on the top the other die, which is moveable. A second man sitting on a stool is armed with a huge hammer gives one blow on the upper die, and the coin is struck. The blows are dealt in rapid succession, and the whole scene reminds one of a blacksmith's shop. The coins are now passed on to another man who arranges them in little frames in such a manner that they are standing about a hundred together on their edges. Boys are now employed to punch small stars on the edges by means of chisels and hammers. The coins are now weighed one by one for the last time, and the light ones rejected. They are not yet, however, current coins of the realm, the Imperial Stamp being wanting. This is added to each by means of another stamped chisel and mallet, and the coins are complete. They are, lastly, rolled up in paper packets of a hundred, each packet is weighed, and marked with a seal which serves as a guarantee of its contents, and gives it currency as 100 ichibus.

Though every operation is performed in so primitive a manner, perfect order prevails in the establishment, every man goes through his portion of the work in silence and with the regularity of clockwork, and many evince considerable skill. There are about 300 hands employed in the building. When the men enter in the morning they are made to divest themselves of their own clothes and put on others belonging to the Mint. At the end of the day's work, a gong sounds, when the somewhat curious spectacle is presented of 300 men springing from the ground on which they had been seated, throwing off their clothes, and rushing, a naked throng, to one end of

a yard. Here they pass through the following ordeal in order to prove they have no silver on them: their back hair is pulled down and examined, they wash their hands and hold them up to view, they drink water and then holloa, and, lastly, they run to the other end of the yard clearing two or three hurdles on their way; after which performance they are allowed to put on their own clothes and depart. The Japanese silver mint has been only twice, it is believed, entered by foreigners; the apparent absence of all restrictions with regard to touching and handling the coins would point to the probability that it is not often open to the public, but, even if it were, the manners and customs of the country are not such as would preclude a mixed assemblage of visitors from going over it and remaining to the end.

The quantity of silver at present being coined daily is 50,000 momme, which, at the rate of 2·3 momme to the ichibu, gives a daily total issue of over 21,000 bus, or about 1,500*l.* sterling. The whole of these are produced by the simplest manual labour unaided by a single piece of machinery.

By the Xth Article of the Treaty between Great Britain and Japan, which was copied from the corresponding Article of the American Treaty already quoted, the Japanese Government have bound themselves "for the period of one year after the opening of each port, to furnish British subjects with Japanese coin in exchange for theirs, equal weights being given, and no discount taken for recoinage." On the 1st of January, 1868, the Japanese have engaged to throw open the ports of Yedo, Osaka, and Hiogo to the Treaty Powers. They will thus be bound during the whole of the year 1868 to supply ichibus at those ports weight for weight against dollars, that is, at the rate of 311 bus to the 100 dollars, the average price for some time having been about 300 bus; in other words the Government will pay a penalty of nearly 4 per cent. to foreign merchants on the excess of exports over imports. Now, according to the last published Returns, this excess at the port of Kanagawa-Yokohama alone amounted to about 1,000,000 sterling, and it is certain that no one will exchange his dollars at Yokohama at 300 when he can get 311 at Yedo, only twenty miles off, it is evident that, supposing Trade Returns and exchange continue the same, a loss will be incurred by

the Government of 40,000*l.* on the trade of Kanagawa alone.

The Japanese Government took the first step in view of this difficulty when they concluded the Convention of June 25, 1866, the VIth Article of which reads thus:—

"In conformity with those Articles of the Treaties concluded between Japan and foreign Powers which stipulate for the circulation of foreign coin at its corresponding weight in native coin of the same description, dollars have, hitherto, been received at the Japanese Custom-house in payment of duties at their weight in boos (commonly called ichibus), that is to say at a rate of 311 bus per 100 dollars. The Japanese Government being, however, desirous to alter this practice, and to abstain from all interference in the exchange of native for foreign coin, and being also anxious to meet the wants both of native and foreign commerce by securing an adequate issue of native coin, have already determined to enlarge the Japanese Mint so as to admit of the Japanese Government exchanging into native coin of the same intrinsic value less only the cost of coinage, at the places named for this purpose, all foreign gold or bullion in gold or silver that may at any time be tendered to them by foreigners or Japanese. It being essential, however, to the execution of this measure that the various Powers with whom Japan has concluded Treaties should first consent to modify the stipulations in those Treaties which relate to the currency, the Japanese Government will at once propose to those Powers the adoption of the necessary modification in the said stipulations, and, on receiving their concurrence, will be prepared from the 1st of January, 1868, to carry the above measure into effect. The rates to be charged as the cost of coinage shall be determined hereafter by the common consent of the Contracting Parties."

In accordance with this Article arrangements have already been made for obtaining from France the machinery required in a Mint on an European model. Immediately on its receipt, and on the arrival of persons fitted for the undertaking, a new Mint will be erected at Yeddo, and coins at once struck. It is understood that a new silver coin will be issued equal to 4 ichibus; its shape will be circular, and it will replace the gold rio or kobang, which has already almost disappeared. The immense superiority

in every way of the coins struck by the new Mint will be so apparent that it will probably not be long before the rectangular ichibus will be replaced by others of a circular form.

Concurrently with these changes, it is not unlikely that the Japanese Government may adopt a measure which has been already brought before them of selecting a single coin for their standard of value. Hitherto the impracticable plan of a double standard has been attempted; gold and silver are both legal tenders; the result has been what it must ever be: the dearer coin has replaced the cheaper; the ichibu has driven out the rio from circulation, and silver is practically the only medium of exchange.

It is, perhaps, of little importance which metal be adopted for the standard. If it be silver, as it probably will, and the Government recommence the issue of gold coins, they will have to make them of such a weight that their intrinsic value is less than their nominal one, according to the relation which exists between silver and gold in the rest of the world, which is reckoned 15½ to 1. By this means, and by limiting generally the supply of gold from their mines, they may hope gradually to assimilate the proportionate value of their metals to what it is elsewhere. A tendency has already manifested itself in this direction. In 1853 gold bullion was only 8½ times as valuable as silver bullion; it is now about 10 times as valuable. This, at least, is the figure which was supplied by the Government; but the price which the little pure gold that there is in the market commands would point to a much higher one still. One momme weight of finest gold at this moment costs 6 ichibus 2 shus 300 mongsengs, or 6·66 ichibus, containing 15·33 momme weight of present coinage silver. Reckoning the touch at 88·523, which was that of some ichibus lately tested at Hong Kong, the momme of pure gold costs in the market 13·57 momme of pure silver. Its real value is, of course, somewhat less.

An application in the sense of the Article last quoted is almost daily expected by the Foreign Ministers; it will be for their Governments to consider whether, and if so on what terms, they will consent to a revision of the Monetary Article of the first Treaties. Japan will have much to urge—the unusual character of such stipulations and the entire absence of reciprocity; the losses she has already suffered in attempting to carry them out, and the unreason-

ableness of the provision which compels her to purchase in the dearest market a commodity for which she may have no need.

Whatever arrangement be ultimately agreed to, it will be important that adequate means be taken to insure an invariable standard for the coins which may in future be put into circulation. It has been assumed in this Report that 311 ichibus are intrinsically worth 100 dollars, that having formerly been their value, and that being the rate at which they have generally been calculated, though, where both coins vary in weight and touch, it is evident that it can never have been more than a rough average. There is reason to fear that some of the late issues from the Japanese Mint have been of somewhat inferior silver. In converting, on a recent occasion, at the Hong Kong Mint a parcel of ichibus into dollars, it was found that their touch was only 88·523, and that it required 315·63 bus for the coinage of 100 dollars; making a trifling allowance for waste of silver in the process of melting, it may be reckoned that 100 Hong Kong dollars contained as much pure silver at $315\frac{1}{4}$ bus. Here is a deterioration of $4\frac{1}{4}$ bus in 100 dollars, or about $1\frac{1}{3}$ per cent. When Japan possesses a proper Mint, there will be no excuse if coins of uncertain weight or touch are allowed to be issued. Such a mistake would defeat the object of a free Mint. As to the standard of fineness which might be adopted, considering the important position held by the dollar in the far East, and the increased security there will be for its invariable weight and quality now that a Royal Mint exists at Hong Kong, it would seem that the Japanese Government could not do better than adopt the standard of the Hong Kong Mint, which is believed to be 89·79 fineness.

An impression seems often to have prevailed that by some cunning artifice, some inexplicable legerdemain, the Japanese Government will always be able to turn any new measure which may be agreed on regarding their currency to their own advantage. It is the opinion of the writer that an examination of the past hardly leads to such a conclusion. The Japanese would appear to have been more sinned against than sinning. When Japan first issued from her seclusion and opened her ports to foreign intercourse, her rulers were too ignorant of the value of their own metals and of the ways and dealings of foreigners

to be capable of much mischief. They saw with dismay their gold flow from the country, but were either ignorant of the cause or impotent to deal with it. As was remarked a few days ago by an officer in the Finance Department: "If foreigners knew little in those days of Japanese currency, the Japanese knew less." There have been ignorances and errors on all sides: the past cannot be recovered, though it may serve as a beacon to guide the future.

(Signed) SIDNEY LOCOCK.

Mexico.

Report by Mr. Middleton, Her Majesty's Secretary of Legation, on Finance and Public Credit.

Mexico, January 29, 1867.

The approximate estimate of the amount of the revenue and expenditure of the Mexican Empire to be calculated upon for the year 1867 is, as nearly as can be ascertained in the present state of confusion of public affairs, as follows :—

Expenditure.

	Dollars.	Dollars.
Interest and sinking fund on foreign debt ..	11,000,000	
Interest and sinking fund on internal debt ..	—	
Imperial House	1,000,000	
Civil and judicial list	2,000,000	
Civil and military pensions	1,000,000	
War budget	10,000,000	
Legations and extraordinary expenses ..	500,000	
Extraordinary war expenses	1,000,000	
Total dollars		26,500,000

Revenue.

	Dollars.	Dollars.
Maritime Custom-houses	500,000	
Custom-house of the city of Mexico ..	1,200,000	
Direct taxes upon property	500,000	
Stamped paper and other miscellaneous taxes. .	500,000	
Total dollars		2,700,000
Total dollars deficit ..		23,800,000

This deficit of 23,800,000 dollars is easily accounted for by the fact not only of the whole of the Customs duties of the port of Vera Cruz being now collected by the French Government, but by that of the Custom-houses of Tampico, Matamoros, Guaymas, Mazatlan, San Blas, and Colima, being in the hands of the former President of the Mexican Republic, Juarez; and thus, those in the Peninsula of Yucatan and one or two others of trifling importance, alone produce any revenue to the Imperial Govern-

ment, which revenue cannot be set down at the most, at more than 500,000 dollars; nor can that of the Custom-house of the city of Mexico be set down at more than 1,200,000 dollars, the political state of the country being so adverse to political activity; the immense diminution in the amount of taxes upon property, also, since last year, when it was estimated at 250,000 dollars, is alike to be attributed to so far the greater number of the provincial departments being in the possession of the republican party, and it must also be borne in mind that the payment of such forced loans and contributions as are levied by the Imperial Government as a means of temporarily relieving its necessities can only be enforced in such localities as are strongly garrisoned.

It may also be observed that, during the year 1866, a part of the expenditure set down as the war budget was borne by the French Government, and that the Mexican Government was thus enabled to provide for part of the expenditure of the civil and military pension list without encroaching upon the interest and sinking fund of the foreign debt.

(Signed) R. T. C. MIDDLETON.

Peru.

Report by Mr. Barton, Her Majesty's Acting Chargé d'Affaires, on the Financial Position of Peru.

Mr. Barton to Lord Stanley.

My Lord, *Lima, February* 25, 1867.

I HAVE the honour to acknowledge the receipt of your Lordship's circular, dated the 26th of November last, and in pursuance of the instructions therein contained I herewith transmit to your Lordship the only information I can obtain regarding the financial position of this country.

The balance sheet inclosed with the vouchers A, B, C, D, and E, show the budget of the income and expenditure for the present year, which I have collected from the memorial the late Minister of Finance presented to the Congress on the day his Excellency delivered up the Dictatorship to that body, as reported in my despatch of the 18th instant.

The Minister does not furnish any information whatever as to the manner in which the 920,000*l.* for the War Department, or the 38,333*l.* 6*s.* 8*d.* for the Foreign Office, is to be expended, nor does he give a statement to the Congress of the expenditure for the past year.

I have, &c.

(Signed) JOHN BARTON.

BALANCE SHEET of Income and Expenditure of the Peruvian Government for the year 1867, as proposed by the Peruvian Minister of Finance in his Budget presented to Congress.

INCOME.

	Soles.	£	s.	d.
Custom-houses	4,000,000	766,666	13	4
Stamps and stamp paper	240,000	46,000	0	0
Successions	200,000	38,333	6	8
Industrial contributions (licenses) ..	300,000	57,500	0	0
Post-office	150,000	28,750	0	0
Factories, police, &c.	300,000	57,500	0	0
Personal contributions	1,000,000	191,666	13	4
Territorial contributions	400,000	76,666	13	4
Guano	7,440,000	1,426,000	0	0
	14,130,000	2,689,083	6	8
Deficit	2,172,197	416,337	15	2

EXPENDITURE.

	Soles.	£	s.	d.
A. To cover the deficit of the expenses of the different departments ..	1,477,700	283,225	16	8
B. Government Department ..	577,185	110,627	2	6
Foreign Affairs	200,000	38,333	6	8
C. Department of Justice	276,786	53,050	13	0
D. „ Finance	934,710	179,152	15	0
„ War and Marine ..	4,800,000	920,000	0	0
D. Debt	4,977,816	954,081	8	0
Extraordinaries	300,000	57,500	0	0
E. Extraordinaries in which are not included those of the fortifications and others brought on by the war with Spain	2,658,000	509,450	0	0
	16,202,197	3,105,421	1	10

A.—Expenses of the Department.

	Currency.	Sterling.		
	Soles.	£	s.	d.
Prefectures	140,000	26,833	6	8
Sub-Prefectures	108,000	20,700	0	0
Courts of Justice	536,000	102,733	6	8
Instruction	155,700	29,842	10	0
Worship	280,000	53,666	13	4
Treasuries	64,000	12,266	13	4
Charities	174,000	33,355	0	0
Gendarmerie	1,500,000	287,500	0	0
	2,957,700	566,892	10	0
The income of the Department is—				
	Soles.			
For personal contribution	1,200,000			
Less for municipalities, 10 per cent.	120,000			
	1,080,000			
Territorial contribution .	400,000			
	1,480,000	283,666	13	4
Deficit to cover the budget for the Department	1,477,700	283,225	16	8

B.—Expenses of Home Department.

	Currency.	Sterling.		
	Soles.	£	s.	d.
The President and palace	68,440	12,317	13	4
„ Legislative body	132,163	25,331	4	10
„ Secretaries	26,680	5,113	13	4
„ Couriers	122,293	23,439	9	10
„ College of Arts and Trades ..	71,009	13,610	1	2
„ Printing Office	50,000	9,583	6	8
„ Engineers and Architects ..	26,600	5,098	6	8
Extraordinaries	80,000	15,333	6	8
	577,185	110,627	2	6

C.—Expenses in the Administration of Justice.

	Currency.	Sterling.		
	Soles.	£.	s.	d.
Office	23,158	4,438	12	4
Supreme Court	39,264	7,525	12	0
Attorney-General	12,194	2,337	3	8
Penitentiary	75,705	14,510	2	6
Library	47,540	9,111	16	8
Museum	1,638	317	19	0
Model school	27,287	5,230	0	2
Extraordinaries	50,000	9,583	6	8
	276,786	53,050	13	0

D.—Expenses of Finance Department.

	Currency.	Sterling.		
	Soles.	£	s.	d.
Office	65,800	12,611	13	4
Inspectors	27,500	5,270	16	8
Custom-houses	295,722	57,096	14	4
Accountant-General's Office ..	57,610	11,041	18	4
Mint	26,544	4,670	18	8
Commission of Salaries	18,000	3,450	0	0
Inspection of Chincha Islands ..	6,792	1,301	16	0
Custody of Lobo Islands	4,946	947	19	8
Treasuries of Lima and Callao ..	44,160	8,464	0	0
Civil passive classes	147,936	28,354	8	0
Receiving offices, lotteries, &c. ..	239,700	45,942	10	0
	934,710	179,152	15	0
DEBT.				
Interest on consolidated	540,216	103,541	8	0
Reduction on ditto	656,000	125,733	6	8
English	3,500,000	670,833	6	8
Peruvian	211,600	40,566	13	4
United States of America	70,000	13,416	13	4
	4,977,816	954,081	8	0

E.—Extraordinary Expenses.

	Currency.	Sterling.		
	Soles.	£	*s.*	*d.*
Payment to Bolivia	72,000	13,800	0	0
Treasury certificates due in 1867 ..	186,000	35,650	0	0
Interest on debt due guano consignees.	400,000	76,666	13	4
Coinage	100,000	19,166	13	4
Mole at Callao	100,000	19,166	13	4
Debt to Chile, expenses of squadron..	500,000	95,833	6	8
Debt owing to the Departments ..	800,000	153,333	6	8
Public works	500,000	95,833	6	8
	2,658,000	509,450	0	0

Brazil.

Report by Mr. Pakenham, Her Majesty's Secretary of Legation, on the Commerce of Brazil.

Rio de Janeiro, February 14, 1867.

Coffee is the staple article of export from Rio de Janeiro, and the export duty thereon is 11 per cent., that on all other articles being 7 per cent. Somewhat more than one-half of the quantity exported goes to the United States, the destination of the remainder being chiefly Hamburg, Antwerp, Sweden, and ports of the Mediterranean. Many cargoes are also sent to Cowes and Falmouth for orders, and, lying there, may be bought in London or Liverpool on speculation, but they are nt destined for Great Britain, as but a small quantity is consumed there, and that only of the best quality.

The following is a Table, showing the quantity exported from Rio de Janeiro from January 1, to October 31, 1866, in bags of 160lb.

January	159,829 bags	
February	147,113 ,,	
March	150,354 ,,	
April	158,979 ,,	
May	107,471 ,,	Containing
June	49,211 ,,	
July	135,441 ,,	7,508,560 arrobas,
August	187,496 ,,	or 240,273,920 lbs.
September	159,298 ,,	
October	246,520 ,,	
Total	1,501,712 ,,	

	£
Estimated value, about	5,000,000
Export duty, 11 per cent., equal to ..	550,000

Coffee reaches Rio for exportation by three different routes; by sea, by the "Union and Industry" Road, and

by the Don Pedro II Railway. The latter when completed will, it is feared, sadly impair the traffic on the Union and Industry Road, which is the great highway to the interior of Brazil, and, from its construction, and generally good state of repair, is a credit to any community however advanced.

Prices vary, of course, but to give an idea, may be quoted at:—

Washed	.. at	7,600 to 9,000	milreis per arroba,	=	6*d.* to 7*d.* per lb.
Superior	.. „	7,200 „ 7,600	„ „	„	5*d.* to 6*d.* „
1st good	.. „	6,700 „ 6,900	„ „	„	$4\frac{1}{2}d.$ to $4\frac{3}{4}d.$ „
1st ordinary	.. „	5,500 „ 5,700	„ „	„	4*d.* to $4\frac{1}{2}d.$ „
2nd good	.. „	4,900 „ 5,100	„ „	„	$3\frac{1}{2}d.$ to $3\frac{3}{4}d.$ „
2nd ordinary	. „	4,600 „ 4,900	„ „	„	$3\frac{1}{4}d.$ to $3\frac{1}{2}d.$ „

These are the prices when the coffee is bought by merchants for shipping; to this must be added freight, commission, shipping expenses, and export duty. The first two qualities, in fact, I might say only the former, is sent to England for home consumption.

The following will show the principal exports from Rio from 1st January to 31st December, 1866, with their estimated value.

	Arrobas.	Valued at.	£	English lbs.
Coffee	9,674,480	..	6,772,136	309,583,360
Sugar	280,846	..	88,000	8,987,072
Cotton	273,440	..	410,166	8,749,080
Hides (salt) ..	4,606,210	..	58,000	147,398,720
Do. (dry) ..	360,000	..	9,300	11,520,000
Tapioca	35,010	..	15,400	1,120,320
Horns	186,000	..	3,000	5,952,000
Diamonds ..	5,695 (oitavas)	..	360,000	—
Total ..			7,716,002	

Calculating 11 per cent. on 7,000,000*l.* for sundry articles of export from Rio de Janeiro, it leaves the Government an income of 770,000*l.*

The greatest quantities of sugar are shipped from Bahia and Pernambuco, as also of cotton, which is cultivated on a comparatively small scale in different parts of Brazil, and with varying success. This trade has received a stimulus from the recent American war, and, since the cessation of

the Slave Trade, coffee and sugar have risen about 70 per cent. in value.

India rubber is shipped mostly from Pará; probably the export both of that and many other artibles of produce will be largely increased, owing to the recent Imperial Decree opening the River Amazon to foreign flags in September, 1867. Besides the above named exports, Rio also sends abroad gold, tobacco, and cabinet and dye-woods.

The imports consist chiefly of cotton goods, mostly from England, the coarser kinds from the United States. Hardware, also mostly from England, as also coals (for which see accompanying paper*). Iron comes chiefly from Sweden. Wines and brandies from Portugal, Spain, and France. Port wine is largely consumed in Brazil. Flour is supplied mostly by the United States, though a little comes from Trieste and Chili. Dried fish from Newfoundland. Linens chiefly from Ireland, though a small quantity from Germany. Tea finds it way from the United States. Woollen goods and soap come from England, though the United States supply a small portion, as also candles. Portugal sends olive oil, but the finer qualities are from France and Italy; lamp oil is from the United States, as also kerosene. Norway and Sweden send deals and timber, as also do the United States. Most silk goods come from France.

The usual mode of selling all sorts of imported goods used to be at four, six, eight, and even twelve months credit; such, however, is by no means the case now, and some houses sell only for cash. The failure of some large private banks has probably been the cause of this.

Export articles or produce are always sold for cash.

The usual commissions on imports are 5 per cent. on the sale of goods, $2\frac{1}{2}$ per cent. for guarantee, with $2\frac{1}{2}$ per cent. for the purchase and shipment of produce in return, 5 per cent. when purchased by credits on London, the bills being generally drawn at sixty or ninety days.

The currency of Brazil is chiefly paper and copper. The par of exchange when the silver currency was maintained was $67\frac{1}{2}d.$ to the milreis, and the current rate was always above it, say 70 to 72, but since the introduction of paper and copper it has fallen to 36, and now it

* Cannot possibly be got ready for transmission by present packet.

is at about 23½*d.* per milreis, although the exchange varies by almost every packet. Pernambuco and Bahia have, at times, the same rate of exchange, but generally it varies somewhat.

PUBLIC BANKS.

New Bank of Bahia	Capital,	£228,226
Bank of Pernambuco	,,	120,000
Bank of Marantrao	,,	41,354
Rio Grande do Sul	,,	

	No. of Shares.	Shares issued.	Nominal Value.	Paid up Calls.	Capital.	Paid up Capital.	Value in December, 1866.
			£	£	£	£	£
Bank of Brazil	165,000	All.	20	20	3,300,000	All.	18 to 18½
Rural e Hypothecario ...	40,000	All.	20	20	800,000	All.	14½ „ 14¾
English Bank of Rio Janeiro	50,000	All.	20	10	1,000,000	500,000	7½
Commercial Bank of Rio Janeiro ...	60,000	30,000	60	4	1,200,000	120,000	The called up capital not having reached the legal standard, 25 per cnt., no transactions in shares.
London and Brazilian Bank	...	...	...	...	...	...	...

Of private banks, that of Baron Maná is the most important, some changes in the name and constitutions of this bank have been a good deal talked about of late, but I believe that, as yet, no final result has been come to.

PRINCIPAL STEAM NAVIGATION COMPANIES.

	No. of Shares.	Shares issued.	Nominal Value.	Calls paid.	Capital.	Capital paid.
			£	£	£	£
Brazilian Steam Navigation Company	12,000	All.	20	20	320,000	80,000
Amazonas Steam Packet Company.	20,000	15,000	20	20	400,000	300,000

INSURANCE OFFICES.

	No. of Shares.	Shares issued.	Nominal Value.	Calls paid.	Capital.	Capital paid.	
			£	£	£	£	
Fedelidade	16,000	All.	20	5	320,000	80,000	Par.
Argos Fluminade	3,000	All.	100	20	300,000	60,000	Par.
Feliz Lembrança	10,000	All.	50	4	500,000	20,000	Par.
Rio Gas Company	30,000	All.	20	20	600,000	600,000	At £21

To meet the expenses of the present war with Paraguay, three Decrees were promulgated towards the close of the past year, granting to different departments of the Imperial Government, credits extraordinary and supplementary. They amount, in the aggregate, to 4,440,452*l.* whereof 2,105,208*l.* are devoted to the army; 519,256 to the navy, and the remainder to these services combined.

(Signed) J. PAKENHAM.

Italy.

Report by Mr. Herries, Her Majesty's Secretary of Legation, on the Production of Iron in Italy.

Florence, April 1, 1867.

In 1861 a Commission, composed of engineers and officers of the army and navy, at the head of which was General Cavalli, was appointed to inquire into the state of the iron trade in Italy.

The objects to which their attention was particularly directed were the means of assisting native industry, then exposed to great difficulties—especially in Lombardy—in consequence of the recent introduction of a system tending towards free trade, and at the same time of rendering the nation independent of foreign countries for the supply of its arsenals, dockyards, and railways.

The Report of the Commission was published at the end of 1864. It states the results of the inquiry at great length under four heads :—

1. General view of the present condition of Italy with regard to the production and consumption of iron.
2. The principal requirements of Italy with respect to arms, ships, and railways.
3. The present and future state of the manufacture of iron in Italy.
4. Conclusions and recommendations.

I shall endeavour to give such a summary of this very elaborate document as may be sufficient to convey a knowledge of its substance.

1. *General View of the Present Condition of Italy with regard to the Production and Consumption of Iron.*

Italy, though rich in ore, produces hardly a fifth part of the iron she consumes. The total amount does not exceed (within the limits of the kingdom, 1864) 300,000 quintals,

or 30,000,000 kilogrammes (equivalent to 29,660 tons English weight, in round numbers).

The following statement shows approximatively the average annual importation of iron for the three years 1861, 1862, and 1863:—

	Quintals.	Value in francs.
Pig iron (almost entirely from England) ..	264,210	3,170,520
Castings (ditto)	53,336	1,866,760
Railway chairs (ditto)..	43,173	1,295,190
Bars (from England principally, and also from Belgium and Sweden)	375,304	13,135,640
Plates, wire hoops, &c., and steel (from England, Germany and France) ..	98,262	6,387,030
Rails (from England and Belgium ..	190,923	4,200,306
	1,025,208	30,055,446

To which must be added machinery, to the value of 5,397,000 francs, and of the weight of about 27,000 quintals. Cannons and small arms—weight, 4,300 quintals; value, 440,000 francs. Iron-clad ships and armour plates, representing an annual average amount of 44,000 quintals, and 4,400,000 francs. Mercantile steamers — 20,250 quintals, and 2,025,000 francs. Engines and boilers for ships of war—15,400 quintals, and 3,080,000 francs. Engines, &c., for the mercantile marine—11,200 quintals, and 2,080,000 francs. Sundry articles—3,000 quintals, and 500,000 francs, giving an aggregate amount of 1,150,000 quintals, of the value of 50,000,000 francs.

The exportation, consisting chiefly of Tuscan pig iron, from Italy is quite insignificant. It amounted in 1861 to 32,531 quintals, in 1862 to 21,333 quintals, and in 1863 to 48,383 quintals. It should be mentioned, however, that about 500,000 quintals of ore from the Island of Elba are exported annually to France and England. Nearly half of it goes to Corsica.

The relative iron production of Italy and other countries is reckoned according to the scale given below; that of Italy being set down as 1, and in the adjoining column will be found an estimate of the actual consumption per head of the population of each country.

	Relative production.	Consumption per head.
		Kilogrammes.
Italy	1	6·50
Great Britain	123	77
United States	45	46
France..	35	34
Zollverein	17	19
Prussia	14·20	29
Austria	12	10·40
Belgium	10·60	50
Russia	7·10	3
Sweden and Norway ..	6·60	26
Spain	1·50	7
Greece..	..	6·50

From the accompanying comparative table of import duties on iron, according to the Italian Tariff of 1859, and the Tariffs of the different States of the Peninsula prior to their annexation, it will be seen that the present rates are much lower, and consequently more favourable to the consumer. The position of the Italian producer has, however, been thereby rendered more difficult than under the old state of things.

	Kingdom of Italy.	Former Sardinian dominions.				Lombardo-Venetian Kingdom.		Parma.	Modena.	Tuscany.	Two Sicilies.		Papal States.
	1859.	1830.	1842.	1851.	1853.	1823.	1853.	1857.	1857.	1832.	1824.	1860.	1830.
	Fr. c.	Fr. c.	Fr. c.	Fr. c.	Fr. c.	Fr. c.	Fr. c.	Fr. c.	Fr. c.	Fr. c.	Fr. c.	Fr. c.	Fr. c.
Iron ore	Free.	0 10	0 10	Free.	Free.	3 39	Free.	...	0 05	1 26	...	Free.	0 15
„ cast, pig or fragments	Free.	0 10	0 50	0 50	Free.	11 06	7 83	0 50	4 75	0 41	...	Free.	0 76
„ „ in rough castings	4 0	60 0	20 0	8 0	4 0	25 0	7 83	5 0	4 75	12 35	...	...	0 60
„ „ worked, mixed with other metals.	4 0	85 0	30 0	12 0	6 0	25 0	...	...	...	...	...	...	...
„ „ railway chairs	0 50	...	...	...	...	...	...	...	...	...	...	...	...
„ wrought, of first fusion, bars of any form or size	5 0	25 0	16 0	10 0	7 50	27 77	13 05	5 0	3 0	11 15 to 12 35	19 25	9 44	34 20
„ „ „ wire	7 0	12 50	12 50	10 0	10 0	55 55	23 10	10 0	8 0	16 05	10 63	10 63	30 45
„ „ „ rails for railways ...	1 0	...	...	...	...	...	13 05	...	...	...	...	...	...
„ „ of second fusion, plain ...	10 0	40 0	30 0	15 0	12 0	55 55	20 88	...	5 0	24 70	19 25	14 16	...
„ „ „ mixed with other metals	12 0	...	40 0	20 0	15 0	7 40 from Hungary	...	...	8 0	24 70	19 25	...	...
„ „ anchors and cannons ...	8 0	25 0	20 0	10 0	10 0	Ditto	...	...	5 0	2 47	...	...	...
„ „ anvils, hammers, ploughshares	8 0	20 0	20 0	10 0	10 0	Ditto	...	...	5 0	...	19 25	...	...
„ „ sheets ... ... (less than 4 millimetres thick)	8 0	35 0	20 0	12 0	8 0	44 44	20 88	8 0	3 0	3 09	9 43	7 08	11 38
Tin plates	8 0	40 0	20 0	12 0	8 0	72 22	26 10	...	...	...	...	7 08	15 15
Steel, in bars, plates, and fragments ...	12 0	25 0	20 0	12 0	12 0	27 74	13 05	...	3 0	3 09	8 02	6 61	30 45 and 3 18 in fragments.
„ wrought or drawn	20 0	50 0	40 0	20 0	20 0	33 33 to 55 55	13 05	...	3 0	25 20	19 25	14 16	76 0
„ springs for carriages and the like ...	30 0	100 0	60 0	30 0	30 3	277 74	13 05	...	...	...	70 88	...	...
Instruments for mechanics	8 0	20 0	20 0	12 50	12 50	55 55	26 10 to 52 20	...	5 0 to 88 0	6 0 to 24 70	...	14 16	68 30
„ „ agriculture	8 0	25 0	20 0	10 0	10 0	...	78 30	...	...	...	...	14 16	11 30
Machinery for arts and manufactures	1 0 per cent. *ad val.*	...	...	1 0 per cent.	...	...	20 88	5 0	...	...	2 36	...	0 15
Carriages on springs ...	10 0 and 5 per cent. *ad val.*	...	...	...	...	...	39 15 each.	...	...	...	...	...	...
Carts and waggons ...	5 0 and 5 per cent.	...	...	...	...	...	652 50 each.	...	...	...	...	...	...
Arms—bayonets	20 0	...	...	...	...	...	78 30	...	...	...	...	...	228 0
„ sword blades	24 0	...	...	...	...	...	78 30	...	...	...	0 85 each.	...	228 0
„ gun barrels, common	1 0 each.	...	...	...	...	...	...	...	...	...	5 10 each.	...	7 60 each.
„ „ for fowling pieces ...	3 0 each.	...	...	...	...	...	...	...	...	...	...	...	182 40
„ pistol barrels	0 35 each.	...	...	...	...	...	...	...	...	...	...	...	18 20 each.

2. *Principal Requirements of Italy considered, with reference to Arms, Ships, and Railways.*

To extend the inquiry into the probable future consumption of iron beyond these limits would involve a useless waste of labour and time. Even within them it is very difficult to obtain satisfactory data upon which to form sound conclusions. The importations on Government or private account are occasioned by transitory necessities, and give no indication of the permanent wants of the country. In order to obtain a sound basis of calculation, we must first of all suppose that the railway system of Italy has been completed, that the navy has been raised to its proper strength, that the armament which the country requires has been provided, and that the proposed new lines of steamers have been established, which objects may be accomplished in the space of ten years. A computation may then be made with tolerable accuracy of the amount of the annual supply of iron needed for the keeping up and renewal of the stock. Proceeding upon this method, the Report enters very minutely into the three branches of inquiry—arms, ships, and railways.

1. *Arms and Warlike Stores.*—The amount of iron ordnance belonging to the State at the date of the Report was 6,600 guns, of which there were 5,000 for the armament of fortresses and coast batteries, 400 siege-guns, and 1,200 naval guns.

The following estimate is given of the future permanent establishment of the country :—7,000 guns for fortifications, containing 13,357,000 kilogrammes of metal ; 400 siege-guns, weighing 739,000 kilogrammes ; and 2,350 naval guns, weighing 6,078,800 kilogrammes.

This augmentation—3,100 guns—could be effected in ten years, after which time an annual supply of about 600,000 kilogrammes of iron would be required for the renewal of the stock.

The store of projectiles for these guns, besides the field and mountain artillery, consisting of 1,000 guns (bronze), should be equivalent to 99,000,000 kilogrammes of cast iron, and 2,300,000 of steel ; and the average annual loss would amount to 2,800,000 kilogrammes of cast iron, and 68,000 kilogrammes of steel.

Gun-carriages, &c., would contain 9,205,750 kilo-

grammes of wrought iron, and would require about 450,000 kilogrammes for annual repairs and renewal.

The stock of muskets, rifles, and carbines for the Army, Navy, and National Guard is estimated at 1,500,000, besides 40,000 revolvers and other pistols. These arms, together with bayonets and other accessories, would contain 3,790,000 kilogrammes of wrought iron, and 1,540,000 of steel, with an annual consumption of 302,000 kilogrammes of the former, and 122,000 kilogrammes of the latter.

For swords, lances, &c., 35,000 kilogrammes of iron and steel would be required yearly; and for sundries, including horse-shoes, implements and tools, cavalry equipments, &c., about 364,000 kilogrammes.

There may be added 1,500,000 kilogrammes of iron for buildings for military purposes, and 50,000 kilogrammes for the plating of batteries.

The preceding calculations of the normal annual consumption of iron and steel under these several heads, may be summed up as follows :—

	Quintals.	Value in Francs.
Cast iron for guns	6,000	132,000
„ for projectiles	14,000	210,000
Steel for guns and projectiles	980	65,000
Wrought iron in gun carriages	4,500	225,000
„ for small arms and sundries ..	3,675	238,875
Steel for ditto, ditto	1,555	155,500
Wrought iron for horse shoes	3,000	150,000
„ for battery plates	500	22,500
„ for building purposes	5,000	225,000
Total	39,210	1,424,475

The whole of this metal might be supplied by the Italian trade, with the exception perhaps of about one-half of the iron used for casting projectiles, and a considerable proportion of the wrought iron for building purposes, these inferior descriptions being obtainable more chiefly from foreign countries.

The excellence of certain kinds of Lombard iron for cannon founding has been established by repeated experiments, which have shown them to be superior to the best qualities of Swedish iron. The price on delivery at the arsenal of Turin is about 23 francs per quintal, and the

cost of a rifled gun cast from this iron comes to 70 francs per quintal (1 cwt. 7 stones, 10 lbs. 7 oz. 6·304 drachms English weight).

The cast iron of the Val Trompia (Brescia) makes projectiles of great penetrating power, which cost from 30 to 45 francs the quintal.

There are foundries for iron guns in the arsenals of Turin and Naples. Bronze guns are cast at the arsenal of Ranna. Besides the projectiles which are cast at the two first mentioned places, considerable quantities are obtained from private establishments, those principally of Genoa, Boudione, Carcina and Mompiana, in Lombardy.

Gun-carriages are made partly in Government factories and partly by private contract.

Italian iron of the best quality is found to be very suitable for their different parts, and it is preferred for these purposes to the best English iron, although the price of the former is about 50 francs, while that of the latter is only 35 francs per quintal.

The supplies of muskets, &c., are derived from various sources, home and foreign. 175,000 muskets have been ordered since 1860 in France, England and Prussia. A considerable number of gun-barrels also have been purchased abroad to be fitted in the national arsenals. The principal Government manufactories are those of Valdoceo at Turin, and Torre Annunziata, near Naples. The former turns out annually some 12,000 rifled barrels made of excellent Aosta and Lombard iron, and with the addition of foreign barrels, delivers 30,000 arms complete. The cost of a gun-barrel made here of Italian iron, is about 16 francs, that of a steel barrel imported in a rough state from France, and finished here, is 3 francs less.

The Torr Annunziata factory when properly provided with machinery will be capable of furnishing 10,000 barrels, or 30,000 complete rifles.

At Mongiana, in Calabria, there is a small Government establishment where about 2,500 gun-barrels can be manufactured with iron of the country.

About 90,000 gun and pistol barrels are made for the Government by private manufacturers in the district of Brescia, at Lecco, and in other parts of Lombardy. It must be remembered that the gun-makers of the Neapolitan and Lombard Provinces have always enjoyed a high reputation for the solidity and beauty of their fowling-pieces.

2. *Ships.*—At the end of the year 1861 Italy possessed two iron-clad vessels, carrying 22 guns each. Her iron-clad fleet at the end of 1864, either afloat or building, consisted of eleven frigates, one ram (the "Affondatore"), four batteries, and two gun-boats, in all eighteen vessels. The wooden fleet was composed of one screw line-of-battle ship, thirteen screw-frigates and sloops, fifteen paddle-wheel sloops, ten paddle-wheel despatch boats, nine screw and six paddle-wheel transports, fourteen screw gun-boats, and five tugs. There were besides in existence forty-four sailing vessels of all classes.

A commission appointed in 1862 to inquire into the state of the navy, proposed that its strength should be raised to a regular establishment of forty-six iron-clads, thirty-four unplated steam-frigates, sloops, and gun-boats, and thirty-eight auxiliary steam-vessels, such as despatch-boats, transports, &c., with the addition of a small number of sailing-vessels; the whole to be completed within the space of ten years.

At this assumed standard it is calculated that the quantity of iron entering into the construction of the fleet would amount to 110,922,142 kilogrammes; the annual loss to be made good being 7,623,699 kilogrammes.

The collective force of the engines which in 1864 was not quite 22,000 horse-power, would be raised to 52,000. The quantity of iron and steel composing the engines and boilers would be 30,420,000 kilogrammes, and the loss by wear and tear would amount to 3,021,200 kilogrammes.

The Government establishment of Pietrarsa near Naples, and the private works at Sampierdarena, near Genoa, are (in 1864) the only places where engines for large ships of war could be made; but both at the former and at the latter port there are several manufacturers capable of furnishing the necessary boilers.

Some statistics are given to show the resources of the naval arsenals and dockyards of Genoa, Leghorn, Naples and Castellamare, and Ancona; but they need not be reproduced, as various changes have taken place since the date of the Report. At that time 6,650 workmen were employed. Their skill was highly esteemed, but they were in general very ill paid.

Sixty-two mercantile steamers with 10,000 horse-power were registered in 1864 in the different seaports of the kingdom. Of this number 48 of 9,000 horse-power col-

lectively belonged to four steam navigation companies, subsidized by the State for the postal service along the coasts of Italy, and to Alexandria, Corfu, and Tunis.

The want of extended means of communication with foreign countries is felt, and to meet the increasing demands of Italian commerce regular lines of steamers to the River Plate, to the Levant, Constantinople, and the ports of the Black Sea, and between Suez and India, China and Australia, must ere long be established. For these purposes, 27 new steamers would be required, making together, with the 48 postal steamers already existing, a total number of 75 vessels, of 21,950 aggregate horse-power. Three-fourths of these would be built of iron.

Italian sailing-vessels are almost all of wood. Their number and tonnage in 1864 was as follows:—

	Ships.	Tons.
Kingdom of Italy	10,850	664,000
Venetia ard Istua.	3,900	315,000
Roman Coast	290	4,700

There were, besides, belonging to the kingdom, 6,000 fishing-boats.

Most of the above-mentioned vessels were of very small tonnage. More than half of the 10,850 which belonged to the Kingdom of Italy were small craft of less than 40 tons, fit only for coasting trade.

There were 70 private building yards, from which were launched—

	Vessels.
In 1860	198
In 1861	216
In 1862	215
In 1863	215

The increase of the tonnage of ships recently built deserves notice. At Sestri, several vessels of from 600 to 1,000 tons are now launched every year.

In the Bay of Naples also a certain degree of activity in ship-building is observable.

It is probable that while their average tonnage increases the number of vessels may diminish, so that the total amount of tonnage may remain stationary for some years.

The quantity of iron contained in the anchors, cables,

hulls, and rigging of ths shipping, both steam and sailing, as estimated above, is reckoned approximatively at 110,506,900 kiligrammes, with an annual consumption of 13,713,948 kilogrammes.

For the ships of the merchant service and Royal navy together that consumption would be 21,387,647 kilogrammes, and in their engines and boilers 5,681,000 kilogrammes; giving a total of 27,068,647 kilogrammes to he annually provided.

About half of this amount, being iron of the best quality, might be supplied at home.

Railways.—At the beginning of 1864 the length of the railways open in the Kingdom of Italy was 3,100 kilometres, besides 209 kilometres in the Roman State, and 536 in Venetia, Istria, and the Italian Tyrol. Of the lines conceded there remained to be completed 3,870 kilometres, and it is assumed that within ten years from that time the total length of railways throughout the Italian Peninsula will reach 8,500 kilometres.

The following statement is given to show the relative position with regard to railways of Italy and other countries at the period above indicated (beginning at 1864) :—

	Kilometres.
United States	56,000
Great Britain	18,000
France	12,000
Germany	16,000
Australia	5,800
Italy (the whole Peninsula) . ..	3,850
Spain	2,800
Russia	2,400
Other nations of Europe	4,350
Canada	4,000
India	2,270
Egypt	230
All other countries	2,300
Total	130,000

Supposing that on the estimated future length of 8,500 kilometres there may be 3,500 kilometres of double lines, the actual length of railway will be 12,000 kilometres, representing in rails, turntables, chains, &c., &c., 1,075,680,000 kilogrammes of iron and steel, amounting to the value of 296,527 francs.

The rolling stock is set down at 1,700 locomotives and tenders, and 38,000 carriages and tenders of all sorts, and

the total quantity of iron used under all these heads is computed at 1,247,331,000 kilogrammes, valued at 376,240,850 francs. The annual consumption by wear and tear would not be less than 62,774,200 kilogrammes, costing 20,519,011 francs.

Rails are not made in Italy. Attempts were made to supply them at the establishment of Pietrassa, near Naples, in 1856, but it was found that they could not be delivered at less than double the price of those imported from England or Belgium. Neither can chairs, turntables, &c., be manufactured in this country cheaply enough to compete with similar articles of foreign production. Native industry may be expected, however, to furnish the iron of superior quality required for axle-trees, cranks, plates, locomotive boilers, wheel tires, &c., as well as steel for switches, springs for carriages, and sundry portions of locomotives and tenders.

There are several establishments for the construction and repairing of rolling stock in Italy. All those of Sampierdarena at Genoa and Pietrassa at Naples, locomotives and tenders are turned out which cost little more than those coming from abroad. Large workshops for repairs of locomotives, &c., exist also at Turin, Milan, Verona, Savighiano, Florence, Lucca (where tubular beams for bridges are also made), Siena, and Civita Vecchia.

In connection with railways, telegraph wires are mentioned. Their total length which at the beginning of 1863 was 26,268 kilomètres, may, it is supposed, extend in a few years to 60,000 kilomètres, representing a weight of 4,000,000 kilogrammes on which the annual loss by wear and tear would amount to 160,000 kilogrammes.

The wire used comes principally from Birmingham, where it is manufactured at a price too low to admit of Italian competition.

The general results of the foregoing calculations of the requirements of the country under the three principal heads above-mentioned may be stated thus :—

	Kilogrammes.
Warlike stores	140,262,000
Navy	277,058,542
Railways	1,247,331,442
Total..	1,664,052,442

The annual consumption for the keeping up of this stock would be—

	Kilogrammes.
For Warlike stores	4,909,500
Naval purposes	27,019,447
Railways	62,774,200
Total..	94,703,147

The quantities of iron and steel which Italian industry might be capable of supplying annually for these objects are estimated as follows :—

	Quantity in Kilogrammes.	Value in Francs.
For Warlike stores	3,921,000	1,424,475
Navy	5,735,000	2,798,868
Mercantile Marine	11,378,900	5,338,042
Railways	8,390,400	4,429,091
Total	29,425,300	13,990,476

Or according to the different descriptions of metals :—

	Kilogrammes
Cast iron for cannons and projectiles	2,000,000
Wrought iron of good quality for armour plates, anchors, cables, various parts of ships, axle-trees of locomotives, &c., sundry railway purposes ..	17,353,100
Wrought iron of superior quality for gun barrels, boiler plates, wheel tires of railway carriages, &c..	8,164,100
Steel, ordinary, for railway carriage springs, projectiles, parts of cannons, &c.	1,124,000
Steel of superior quality for small arms, parts of marine engines, locomotive springs and tires of driving wheels, &c.	784,100
	29,425,300

At the end of this part of the Report the following comparative statement is inserted, showing the prices of different kinds of foreign and Italian iron at the place of production, in an Italian port, and in the principal towns in the interior :—

Qualities of the Iron.	Country.	Price per Quintal (100 kilogrammes). Where made, or on the principal market. Lowest.	Where made, or on the principal market. Highest.	In an Italian port, as Genoa and Naples. Lowest.	In an Italian port, as Genoa and Naples. Highest.	In a town in the interior, as Milan, and Turin. Lowest.	In a town in the interior, as Milan, and Turin. Highest.	Remarks.
FOREIGN IRON.		Lire.	Lire.	Lire.	Lire.	Lire.	Lire.	
Common cast iron to be converted into fine metal	England	6·10	9·00	9·00	11·00	12·00	16·00	
Selected cast iron for making malleable iron and puddled steel	Belgium	8·00	10·00	..	..	..	..	
Scotch pig iron, Nos. 1, 2, 3	Glasgow	7·70	10·00	10·00	12·50	..	..	
,, ,, ,, ,, ...	France	10·00	14·00	..	13·00	..	..	
Charcoal cast iron to be converted into fine metal	France (St. Dizier) ..	15·00	18·00	..	..	..	..	
Charcoal cast iron for fire-arms	France and Belgium ..	20·00	..	..	..	..	..	Delivered at the foundry.
,, ,, ,, ...	Sweden	15·00	..	..	..	..	..	
Common bar iron of running sizes ..	England (Wales) ..	13·80	16·80	..	27·00	..	30·00	
,, ,, ,, (according to quality)	Belgium	16·00	26·00	..	..	..	..	
,, ,, ,, ...	France	22·00	28·00	..	..	..	..	
Common angle iron for bridges, girders, &c.	England	18·50	22·00	..	..	..	..	
,, ,, ,, ,, ..	France	26·00	35·00	..	..	..	..	The price of 35 lire is on the wharves.
Best bar and angle iron	England (Staffordshire)	18·00	22·00	30·00	..	32·00	36·00	In January 1864 it rose to 28 lire at London, and 42 lire at Milan.
Lowmoor iron of running sizes	England (Yorkshire)..	40·00	..	60·00	66·00	..	..	
Lowmoor rivet iron	,, ,, ..	45·00	..	..	66·00	..	..	
Lowmoor angle iron	,, ,, ..	..	..	..	70·00	..	..	
Best hammered iron	France (Berry) ..	45·00	..	..	..	..	..	
,, ,, ...	Belgium	36·00	42·00	..	..	..	..	

Qualities of the Iron.	Country.	Price per Quintal (100 kilogrammes). Where made, or on the principal market. Lowest.	Where made, or on the principal market. Highest.	In an Italian port, as Genoa and Naples. Lowest.	In an Italian port, as Genoa and Naples. Highest.	In a town in the interior, as Milan and Turin. Lowest.	In a town in the interior, as Milan and Turin. Highest.	Remarks.
FOREIGN IRON—(*continued*).		Lire.	Lire.	Lire.	Lire.	Lire.	Lire.	
Best wire iron (No. 20)	France	25·00	..	..	..	..	..	
Best chain iron (from No. 21 and upwards)	,, ...	52·00	56·00	..	..	..	..	
T-iron for bridges, girders, &c., according to dimensions and shape..	Belgium	18·00	30·00	..	..	..	..	
,, ,, ,, ,, ..	Paris	27·00	30·00	..	..	..	..	
Iron for	,, ...	36·00	40·00	..	..	..	..	
Common boat and bridge plates	England	22·00	30·00	33·00	40·00	..	..	
,, ,, ,, ...	Belgium	22·00	30·00	..	..	..	..	
Common sheet iron..	,, ...	..	29·00	..	..	..	..	
,, ,, ...	France	26·00	32·00	..	..	..	..	
Lowmoor, Bowling, or Weardle boiler plates	England (Yorkshire)..	40·00	58·00	54·00	70·00	55·00	76·00	
Common sheet iron, mixed qualities ..	France	40·00	..	..	..	..	..	
Best charcoal plates	,, ...	55·00	..	..	..	..	..	
Charcoal plates, according to quality ..	,, (Franche compte)	48·00	60·00	..	..	..	..	
,, ,, ,, ,, ..	,, (Savoy).. ..	..	..	..	..	..	70·00	
,, ,, ,, ,, ..	Belgium	42·00	..	..	..	..	..	
Tin plates, according to the brands, per box	England	28·00	45·00	..	..	..	..	
,, double	,, ...	..	..	..	..	0·30	0·50	Per sheet.
Coarse iron made of puddled iron, according to No.	France	27·00	34·00	..	..	..	..	
Telegraph charcoal wire, No. 6 and 12, well galvanized	England (Birmingham)	55·00	68·00	58·00	72·00	..	..	
Steel in bars, common, puddled from coke pig iron, adapted for common springs ..	England	25·00	..	..	..	..	..	
Common blistered steel in bars, made of Swedish and Russian cast iron	,, ...	30·00	39·00	..	..	..	..	

Qualities of the Iron.	Country.	Price per Quintal (100 kilogrammes). Where made, or on the principal market. Lowest.	Where made, or on the principal market. Highest.	In an Italian port, as Genoa and Naples. Lowest.	In an Italian port, as Genoa and Naples. Highest.	In a town in the interior, as Milan and Turin. Lowest.	In a town in the interior, as Milan and Turin. Highest.	Remarks.
FOREIGN IRON—(*continued*).		Lire.	Lire.	Lire.	Lire.	Lire.	Lire.	
Shear steel made of best Staffordshire iron.	England	35·00	39·00	..	..	..	..	
,, made of Swedish iron	,, ...	42·00	46·00	..	..	..	..	Is the most common Sheffield steel.
Cast steel made of the best Swedish iron ..	,, ...	125·00	130·00	..	..	..	..	Fit for springs for locomotives, machinery, &c.
Refined cast steel drawn into small bars ..	,, ...	..	150·00	..	..	..	..	
,, ,, extra quality	,, ...	..	..	..	..	250·00	300·00	Adapted for graving tools, sharp edges of tools, &c.
Cast steel for arms, according to quality ..	Prussia	..	..	..	..	150·00	250·00	Adapted for nipples, triggers, &c.
Natural steel for bayonets, &c.	,, ...	..	..	..	..	180·00	..	
Common puddled steel in angle bars, rails, and thick plates from charcoal cast iron.	England	..	42·00	..	..	..	..	
Common puddled steel boat plates ..	,, ...	45·00	50·00	..	..	..	..	
Cast steel boiler plates from $\frac{1}{8}$ to $\frac{1}{4}$ inch thick made of common Swedish iron ..	,, ...	..	114·00	..	..	..	..	
Common cast steel for crinolines, saws, &c.	,, ...	78·00	84·00	..	..	..	..	
,, ,, for the steel pen manufactory	,, ...	..	112·00	..	..	..	..	
Cast steel for endless saws	,, ...	..	200·00	..	..	..	..	
,, wire	.. ..	..	..	..	..	..	..	
ITALIAN IRON.								
Cast iron for fine metal from Tuscany ..	Follonica	11·50	12·00	..	15·00	..	17·00	
,, from Lombardy to be manufactured into malleable iron..	Val di Scalve.. ..	10·00	12·00	..	..	13·00	16·00	On the market at Clusone.

Qualities of the Iron.	Country.	Price per Quintal (100 kilogrammes). Where made, or on the principal market. Lowest.	Where made, or on the principal market. Highest.	In an Italian port, as Genoa and Naples. Lowest.	In an Italian port, as Genoa and Naples. Highest.	In a town in the interior, as Milan and Turin. Lowest.	In a town in the interior, as Milan and Turin. Highest.	Remarks.
ITALIAN IRON—(*continued*).		Lire.	Lire.	Lire.	Lire.	Lire.	Lire.	
Cast iron from Lombardy for strong iron and common steel	Valle Camonica ..	12·00	14·00	..	..	..	15·00	On the Lake of Iseo.
Cast iron from Lombardy for divers qualities of iron	Different valleys ..	..	..	..	..	..	..	On the Lake of Como.
Cast iron from the Val d'Aosta to be manufactured into malleable iron	S. Martino	17·00	..	..	..	..	..	These are the average cost prices to the makers who refine them in their foundries.
,, ,, ,, ,, ..	Bard	22·00	..	..	..	..	..	
,, ,, ,, ,, ..	Emavilla	18·00	..	..	..	..	..	
,, from Calabria	Mongiana	17·50	..	..	..	..	22·00	The prices marked in the first column are the cost prices on the spot. Those in the second column are the cost prices delivered at Naples. These prices can be reduced from 8 to 9 lire.
,, ,, ...	Ferdinandea	14·00	..	..	..	..	18·00	
Pig iron	Tuscany	11·50	..	..	..	..	..	
Pig iron for cannons	Lombardy (Allioni, Bondione)	..	..	..	..	23·00	..	Actual price of sale to the arsenal at Turin.
IRON FROM TUSCAN IRON FOUNDRIES.								
Bar iron of large sizes	Maremma, Province of Pistoria, &c.	..	..	36·00	40·00	..	..	At Leghorn.
,, ,, ...	.. ..	..	..	38·00	..	..	..	
,, thin bars	.. ..	..	..	42·00	46·00	..	..	
,, rough cart axles	.. ..	..	..	36·00	..	..	..	

Qualities of the Iron.	Country.	Price per Quintal (100 killogrammes).						Remarks.
		Where made, or on the principal market.		In an Italian port, as Genoa and Naples.		In a town in the interior, as Milan and Turin.		
		Lowest.	Highest.	Lowest.	Highest.	Lowest.	Highest.	
IRON FROM TUSCAN IRON FOUNDRIES—(*continued*).		Lire.	Lire.	Lire.	Lire.	Lire.	Lire.	
Nail rod iron	.. ..	..	..	40·00	45·00	..	..	
Iron, plough shares..	.. ..	..	..	42·00	46·00	..	..	
IRON FROM LOMBARD IRON FOUNDRIES.								
Iron bars and hammered plates for wire, gun barrels, arms, and special purposes refined "à la comtoise" (or German forge)	Lake of Iseo (Lovere)	..	..	..	..	..	48·00	
Iron in rough large bars	Lake of Como ..	..	..	..	..	35·00	40·00	
„ in bars, refined by peat gas and rolled	Lakes of Como and Iseo	..	..	..	..	40·00	46·00	
Faggoted flat iron bars for armour plates ..	Lake of Como ..	..	45·00	..	47·00	..	..	
Iron in plates above 1 millimètre in thickness (nearly equal to Lowmoor).. ..	„ „ ..	..	..	..	..	58·00	62·00	
Iron in sheets under 1 millimètre in thickness (partly made of scrap iron) ..	„ „ ..	..	..	..	..	62·00	65·00	
IRON FROM THE VAL D'AOSTA FOUNDRIES.								
Iron bars and hammered plates for gun barrels (refined "à la comtoise") ..	P. S. Martin, Band, Emaville	..	..	..	..	..	66·00	At the Royal manufactory of arms at Turin.
Iron in bars, puddled in a gas furnace and rolled for common use	„ „ „ ..	..	..	..	..	44·00	50·00	
Iron in flat and round bars for rivets, bolts, &c., for naval purposes	„ „ „ ..	..	..	59·00	65·00	..	..	Contract price.
Iron in blooms and bars from the "comtoise forges" made of scrap iron	„ „ „ ..	34·00	50·00	..	..	..	..	

Qualities of the Iron.	Country.	Price per Quintal (100 kilogrammes).						Remarks.
		Where made, or on the principal market.		In an Italian port, as Genoa and Naples.		In a town in the interior, as Milan and Turin.		
		Lowest.	Highest.	Lowest.	Highest.	Lowest.	Highest.	
IRON FROM THE VAL D'AOSTA FOUNDRIES —(*continued*).		Lire.	Lire.	Lire.	Lire.	Lire.	Lire.	
Iron sorted wire	Lombardy, Piedmont, &c.	..	..	75·00	100·00	..	..	
,, rural implements and edge tools ..	Lombardy and other parts of Italy	..	..	..	..	65·00	90·00	
,, plough shares..	,, ,, ,, ..	..	..	..	..	55·00	..	
,, for nail making, large and middle sizes	,, ,, ,, ..	..	..	..	..	60·00	70·00	
,, ,, ,, small sizes	,, ,, ,, ..	..	..	..	..	100·00	140·00	
,, large screws	,, ,, ,, ..	..	..	..	..	100·00	190·00	
Refined natural steel of good quality in bars	District of Bergamo and Val Camonica	..	..	..	..	100·00	150·00	
Puddled steel of inferior quality, fit for carriage springs	Lake of Iseo (Lovere)	..	..	..	..	65·00	..	
First class puddled steel, refined	,, ,, ,, ..	..	..	..	..	120·00	180·00	
Second class ,, ,, ,, ...	,, ,, ,, ..	..	..	..	..	90·00	..	

III.—*The present and future state of the Iron Manufacture in Italy.*

Among the conditions which affect it, the most important fact to be noticed is the want of coal, the consequence of which is, that the smelting of the ore is dependent upon the limited supply of fuel that can be obtained from the forests in the neighbourhood of the mines.

There are, however, some localities close to the sea, where, as in the Island of Elba for instance, the cost of good ore is so low that it might be worth while to treat it with coke imported from abroad. But such a mode of production would become very precarious in the event of war, or if freights rose considerably, and could therefore only be considered as an exception to the general conditions of the iron trade.

Iron is found in every part of Italy. Beds are known to exist nearly all along the Alpine chain—above Susa, in the valley of Aosta, in the district of Ossola, throughout Lombardy, in the Italian Tyrol, &c. They also abound in the Apennines, as in the mountains of the Piacenza, Serravezza, in the hills of the Tuscan and Roman Maremma, in the Island of Elba, where they are very extensive, at Gualdo Tadino, at Terni, above Sora, and elsewhere in the mountains of Umbria and the Abruzzi, in Further Calabria, and beyond the straits in some parts of the Province of Messina; and lastly, they are found in various parts of Sardinia, particularly in the south-eastern portion of the island.

The ores are of various kinds. Protoxides are found in the Valley of Aosta, in the Serravezza Mountains, at Calamita (Elba), and in Sardinia. Those of most importance in Lombardy are sparry carbonates, more or less decomposed; in Tuscany (the Maremma), and the Island of Elba, as well as in other places, they are oligists; and in Umbria, the Abruzzi, and Calabria, hydrated peroxides predominate.

These ores yield from 45 to 65 per cent. of iron, the quality of which is generally first-rate.

In ancient times the manufacture of iron was rudely carried on in a great number of places. The direct method —Catalan or Corsican—was only a few years ago still practised, and there were besides a great many small blast furnaces scattered over various parts of the country. At

the present day the direct method is almost entirely abandoned, and the manufacture of cast-iron is confined to four districts in which there is the greatest abundance of ore and charcoal. These are, the Valleys of Upper Lombardy, the Valley of Aosta, Tuscany, and Further Calabria. The works of Lombardy and Tuscany are the most important.

Valleys of Lombardy. — This region produces iron superior to that of any other part of Italy for all industrial or warlike purposes. The excellence of the iron and steel of Brescia and Bergamo rendered them famous so far back as the beginning of the middle ages, when they were used chiefly for the finest armour and for every kind of warlike implements. From the time of Charlemagne large supplies of very choice arms (swords and lances) were derived from the Province of Brescia. At a later period after the introduction of fire-arms, 25,000 arquebuses were exported annually.

Brescia, which still maintains its reputation for arms, produces also cast-iron of the greatest tenacity for cannons and projectiles, and there is good reason to hope that this district will soon be able to supply a large portion of the best materials for railways and ships.

A marked characteristic of the iron manufacture here has always been, as it is now, the great number of small works scattered about wherever their is a sufficient supply of ore, fuel, and water power. Large undertakings are very rare. This state of industry is partly the consequence of political, commercial, and legislative changes which have prevented it from attaining the full development of which it possesses the natural means.

During the last few years much distress has been occasioned by the sudden diminution of the import duties on foreign iron, which took place in 1859. This change, however, did not prove so injurious in its effects as was anticipated, and although many small and antiquated works have been obliged to stop, others more skilfully managed have not only succeeded in sustaining foreign competition, but have increased in activity and importance. The total production remains as it was before the change, at about 120,000 quintals.

The principal iron districts in Lombardy are the following :—

In the Province of Sondrio, the Upper Valtellina above Bornio.

In the Province of Como, the environs of the Lake of Como with the adjacent valleys, among which the Val Sassina deserves notice on account of its importance in former times, though its industry has now fallen into decay.

In the Province of Bergamo, the Val Bremhana, where there is no longer any activity; Valle Seriana, at the head of which there are some considerable blast furnaces; Valle di Scalve, or Dezzo; a branch of the Camonica valley; the Valley of Sovere, or Borlezza, on the western shore of the Lake of Iseo.

In the Province of Brescia; the Valley of Camonica, the geographical position of which is highly favourable to industry; Val Trompia, above Brescia, always full of activity; Val Sabbio, together with the Valley of Caffaro, above the Lake of Idro.

Carriage-roads run through nearly all these valleys, and afford the means of communication with Milan, Bergamo, Brescia, and other places.

The ores which supply the blast furnaces of Lombardy are principally of two species, sparry carbonate of iron and ochry iron ("ferro ocraceo"). Traces of magnetic protoxide of iron ("ferro ossidulato magnetico") have also been found in the Valtellina and Val Camonica.

The extent and variety of the beds of iron are so great that the metallic produce of Lombardy might be almost unlimited for an indefinite length of time.

The mines are in the hands of private individuals or associations, but their rights are ill-defined; and the uncertain state of property, which is the consequence of frequent changes in mining legislation, has of late years tended to paralyze enterprize. Very injurious effects are produced, also, by the independent action of a great number of small proprietors working without method and without capital. With the exception of a few mines belonging to companies, where a better system prevails, there is a great want of skill, economy, and regularity in conducting operations.

There are many material difficulties to be overcome. The mines are almost everywhere situated at considerable heights—from 1,000 to 2,000 mètres above the level of the sea—where the depth of snow, and the frequency of avalanches, render access to them almost impossible in winter. It is only in this season, however, that they can

be worked, on account of the quantity of water, and the badness of the air at other times of the year. About the beginning of November the miners take up their quarters in huts at the pit's month, with a stock of provisions for the whole winter. These men are, generally speaking, agricultural labourers during the summer, mining being merely a subsidiary occupation when there is no other work. In some places, however, professional miners are employed. The latter earn 2 francs, while the former are paid 1 franc a-day. Their assistants, boys or women, receive, in some cases, no more than 60, or even 40, centimes.

The cost of the ore brought to the mouth of the pit may be from 65 to 95 centimes per quintal. Carriage to the furnaces, which are generally at some distance from the mine, is difficult, having to be effected partly on sledges, partly on beasts of burden, and partly in carts.

It is reckoned that about 300,000 quintals of ore—reduced when roasted to 250,000 quintals—are extracted annually.

The number of persons employed in the work of different kinds is about 980, whose earnings amount to 250,000 francs, giving a daily average of 1 franc 14 centimes. The total cost of the ore at the mine is 332,000 francs, and delivered at the furnace 470,000 francs. From these data it appears that the expense per quintal is: for labour, 1 franc; sundries, 36 centimes; carriage to the furnace, 52 centimes; total, 1 franc 88 centimes.

Charcoal, wood in small quantities and peat are used as fuel in the various iron works.

The mountainous region of Lombardy is still comparatively well-wooded, about two-fifths of its extent, or nearly 750,000 acres being covered with forests, from which about 1,000,000 quintals of charcoal are annually obtained.

The consumption in iron works of all kinds amounts to 400,000 quintals costing from 5 francs to 9 francs per quintal. The dearness of fuel is attributed chiefly to the burden of the land tax upon forests which are assessed according to a valution made in 1824 when the manufacture of iron enjoyed a high protection.

About 50,000 quintals of peat, of which a very large supply might be obtained, are annually consumed. The

price on delivery at the iron works is from 1 franc 20 centimes to 2 francs per quintal.

Lignite is found in Lombardy, but little use is made of it.

The number of blast furnaces at work in different parts of Lombardy is 20—1 in the Valtellina, 1 on the Lake of Como, 2 in the Val Seriana, 2 in the Val di Scalve, 1 on the Lake of Iseo, 6 in the Val Camonica, 4 in the Val Trompia, and 1 in the Val Caffaro.

The cast iron produced is of every variety. Its average annual amount is 110,000 quintals, of which about 20,000 quintals are used for castings, 70,000 are converted into soft malleable iron—bars, hoops, &c.,—15,000 into hard steely iron—for ploughshares, pickaxes, and other implements,—and 5,000 into steel.

The quantity of ore smelted in the year is about 300,000 quintals, reduced by roasting to 250,000.

It is calculated that in the production of every quintal of cast iron, 1 quintal 10 kilogrammes of charcoal are consumed, and, consequently, for 110,000 quintals of cast iron, 120,000 quintals of charcoal are required.

The cost of production varies greatly. Thus, in the Valtellina, it is 11 francs 40 centimes per quintal; at Dongo (Lake of Como) 17 francs 60 centimes and 18 francs 70 centimes; in the Val Seriana 14 francs 94 centimes; Val di Scalve 10 francs 10 centimes and 12 francs; at Goveno (Lake of Iseo) 10 francs 20 centimes and 15 francs; in the Val Camonica 11 francs 60 centimes and 14 francs 60 centimes; Val Trompia 11 francs 70 centimes, 10 francs 65 centimes, 10 francs 90 centimes, and 10 francs 70 centimes. The average is 12 francs 84 centimes. With greater economy in the extraction and preparation of the ore, improved means of transport, and diminished taxation, it might be reduced to 10 francs 50 centimes.

The blast furnace used in Lombardy from time immemorial until the year 1840 when an improved system of construction was introduced, was square inside and from 19 to 23 feet high. Its daily produce was very small—from 1 ton to 3 tons at most. The circular form is now generally adopted and the height of the furnace is raised to about 26 feet. The hot blast is used. These improvements have effected a saving of one-fourth in the

consumption of fuel. The quantity of cast iron obtained per diem varies from 3 to 4½ tons. The cost of construction of a blast furnace, with all its appurtenances, is about 20,000 francs. The number of men employed on a furnace at work is generally 8. Their daily wages—from 2 francs to 1 franc 18 centimes—amount altogether to 10 francs 86 centimes.

There are numerous works for the manufacture of malleable iron and steel, but, for the most part, they are small, antiquated, and rude. Only five such works—those of Premadio (Valtellina), Dongo (Lake of Como), Lecco, Bellano (Lake of Como), and Castro (Lake of Iseo)—can be mentioned as being well-conducted and on a considerable scale.

The old, so called "Bergamaseo," method of converting cast into malleable iron and steel, is, to a certain extent, peculiar to Lombardy, where it is still very common.

It is only since 1840 that new processes of refinery—that called "contese" and puddling in reverberatory furnaces heated with gas—have been introduced.

The following statement shows the number of iron works (independently of blast furnaces) in the different Provinces of Lombardy and the amount of their production, in quintals, in the year 1861.

Provinces.	No. of Works.	Iron in Bars.	Sheet Iron, &c.	Steel.	Hard Implements.	Ploughshares.	Nails.	Castings.	Machinery.
Sondrio ..	2	3,300	..	..	..	..	..	..	..
Como ..	25	24,823	8,000	..	933	..	474	8,300	..
Bergamo ..	32	10,969	..	4,986	8,910	..	..	2,000	..
Brescia ..	84	19,730	1,476	530	4,534	1,776	5,715	15,500	..
Milan ..	5	..	..	..	500	..	..	22,350	4,840
	148	58,822	9,476	5,516	14,877	1,776	6,189	48,150	4,840

Generally speaking, the iron produced is excellent—very soft and strong.

The steel made by the old method has always enjoyed a high reputation and fetched good prices. The steely iron obtained from the cast iron of the Val Trompia and Val Camonica, is manufactured into agricultural instruments, cutting tools, and carriage springs, which find a good market in Upper and Central Italy where their

relative goodness and cheapness secures them the preference over similar articles of foreign manufacture.

Brescia, Bergamo, and Milan are almost the only markets for Lombard iron and steel in bars.

Average prices are quoted thus:—

	Francs.	
Iron bars .. .. .. from	40 to 46	per quintal.
„ sheets	80	„
Agricultural instruments, cutting tools, &c.	66 to 105	„
Ploughshares, unfinished .. .	55	„
Nails, large	70 to 85	„
Steel, of inferior quality, for carriages ..	65	„
„ superior qualities	90 to 120	„

Except in some rare cases the cost of making bar iron by the old methods can hardly be less than from 40 to 42 francs. This leaves but an insignificant profit at a selling price of 44 francs or 46 francs, and now that the best British iron can be employed for ordinary purposes at prices sometimes as low as 35 francs, the home manufacture in the old way can no longer be sustained. The production of superior qualities of iron, however, by improved methods may continue to be carried on with advantage.

In the manufacture of steel a saving of one-third or even one-half has been effected by the introduction of puddling, but, for certain special purposes, steel will still be made by the old "Bergamasco" process which is found to give it extraordinary hardness.

The manufacture of arms is sufficiently important to deserve particular notice here. It is now concentrated at Brescia and in the Lower Val Trompia where there are more than ninety small workshops for the making of gun-barrels as well as swords, &c. They are very old fashioned and provided with wretched tools, but the extraordinary skill of the artizans makes up for the want of modern machinery and appliances. Lombard iron is exclusively employed, being now preferred to the French iron which was formerly used. The cost of making a gun-barrel is reckoned approximatively thus:—

	Fr.	c.
Iron and steel	8	00
Charcoal	3	00
Labour	4	45
	15	45
Cost of all the other parts of the arm	16	85
	32	30

The number of guns of all kinds made annually in the Province of Brescia is about 82,000, of which 12,000 are fowling pieces, and near Lecco there is an establishment which turns out 10,000 gun-barrels.

The total value of the arms—including upwards of 40,000 swords, &c.—is estimated at 5,000,000 francs.

Principal results of the Iron Statistics of Lombardy.

	Quintals.
Ore annually extracted	300,000
Pig iron produced	110,000
Of which, cast into cannons, projectiles, and parts of machinery	20,000
Converted into wrought iron and steel	70,000
Gun barrels	90,000
Swords, &c.	40,000
	Francs.
Total value of the above products	12,000,000
	Quintals.
Total consumption of charcoal	400,000

Number of persons employed—

In the mines	900
At the blast furnaces	120
In various iron-works	1,900
In the manufacture of arms	4,000
Total	6,920

Valley of Aosta.—The principal mines in this district are those of Traversella, Albard, Chambane, Cogne, and Monte Lessinga. The ore obtained from the four first-named is a protoxide of iron, that from the last a sparry iron.

Their annual produce, which, at one time, amounted to about 140,000 quintals is now less than 30,000.

The richest ore is that of the Cogne mine. It contains 50 per cent. of iron, that of Traversella, Albard and Chambane yields 40 per cent. and that of Monte Lessinga about 36 per cent.

There has always been a great demand for Aosta iron, the excellence of which has for ages been proverbial, and the iron works established in this valley at a remote period, when the surrounding forests gave them an abundant supply of fuel and heavy duties protected them against foreign competition, enjoyed for a long time great prosperity. But the industry of the valley affected by the gradual

exhaustion of the forests, the reduction of protective duties, and the ruinous rivalry of the iron masters, fell into decay.

There are nine blast furnaces which, if they were all in full activity, would be capable of producing at least 270 quintals of cast iron daily, and 80,000 or even 100,000 in a year. The actual produce of those which are at work is only about 30,000 quintals. Nearly the whole of this quantity, besides a certain amount of English, Tuscan, and Lombard cast iron, is converted into malleable iron of which about 40,000 quintals annually are obtained.

The total consumption of fuel amounts to about 90,000 quintals of charcoal and 60,000 quintals of peat.

The cost of production of cast iron varies from 16 francs 50 centimes to 20 francs 60 centimes per quintal. By means of improvements that could easily be effected it might be reduced to 15 francs.

Bar iron, rolled or hammered, finds a ready sale at prices varying from 46 to 50 francs or more; and it might be made at a cost not exceeding 28 to 32 francs, which must be added for general expenses, interest of capital, &c. 5 francs, and for carriage 2 francs to 2 francs 80 centimes.

Tuscany.—There are iron mines in the Island of Elba, and on the mainland in various parts of the Tuscan Provinces, but the former which have been constantly worked from time immemorial are the only ones that have any real importance at present. They supply the whole of the ore smelted in Tuscany, besides a considerable quantity sent to other parts of Italy and exported to France and to England.

The ore is not smelted in Elba, but in seven blast furnaces in different places along the Tuscan coast. Part of the pig iron obtained is used for castings, part is converted on the spot into malleable iron, and a considerable portion is sent into the interior or exported to France or Spain. These establishments, with one exception, that of Pescia, as well as the Elban mines which supply them, are the property of the State, but they are at present worked by a company.

In 1816 the Tuscan Government let the mines and furnaces for a term of twelve years, and at the same time prohibited the importation of foreign iron. On the expiration of the lease it was renewed for the iron works only, the Government taking the mines into its own hands, and subsequently a high import duty, equivalent to 70 or 80

per cent. on English iron, was substituted for absolute prohibition.

In consequence of the decline of the trade, however, it was found necessary to put an end to the contract. Other expedients were resorted to, and, with a view to encourage private industry, the Government in 1836 made a diminution of 7 per cent. in the price of pig iron sold to Tuscan establishments, which were also supplied with ore at a much lower rate than foreign purchasers. These measures are said to have had a beneficial effect in stimulating activity and improvement.

In 1850 a contract was made by the Grand Ducal Government with certain Leghorn capitalists for a loan of 10,000,000 francs, 5 per cent. on the security of the State mines and iron works, the management of which was placed in the hands of the contractors on the condition that they should divide with the Government all profits exceeding the amount of the interest on the loan. This contract which will expire in 1881, when the loan is to be paid off is believed to have been prejudicial to the progress of industry.

There are five iron mines in the Island of Elba: Rio Albeno, Nignena, Rio, Terra Neva and Calamita, all on the east coast. The predominant variety of ore is the red peroxide called oligist. Magnetic protoxide of iron ("ferro ossidulato magnetico"), hematite, and other varieties of oxides and hydrates of iron are also found.

The following statements show the amount of the shipments of ore from the island, and the destinations of the ore sold in each of the three years ending with 1863-64.

Years.	For the Government Works.	Sold.	Total.
	Quintals.	Quintals.	Quintals.
1861–62	187,210	497,320	684,530
1862–63	191,300	860,520	1,051,820
1863–64	163,365	852,945	1,016,310

Destinations.	1861–62.	1862–63.	1863–64.
	Quintals.	Quintals.	Quintals.
Italy—			
Tuscany	22,600	29,350	
Liguria	8,065	5,650	55,430
Neapolitan Provinces and Papal States	13,430	15,480	
Corsica	235,540		
France	206,120	783,370	743,405
England	11,566	26,670	54,110
Total	497,320	860,520	852,945

There is an increasing demand for Elban ore from foreign countries, particularly France, but an extended exportation is prevented by the great difficulty of shipment owing to the position of the mines and the want of accessible ports.

Little is known respecting the Tuscan iron mines on the mainland, as the working of them has been attempted only partially and occasionally in modern times.

They may be briefly mentioned.

Monte Valerio, near the coast, between Follonica and Cecina—compact hematite—believed to have been worked in very ancient times. Excavations were recently begun but soon discontinued. This mine, however, is very rich and is conveniently situated near the coast railway.

Gavorrano, not far from Follonica—oligist and hydrate of iron. Some works were commenced in 1840 but shortly afterwards abandoned.

At Val d'Aspra, near Massa Maritima, there is a vein from which about 1,000 quintals of ore, yielding iron of excellent quality were extracted not long ago.

At Boccheggiano and at Cosole in the Siena country, traces of iron are found, and in the district of Pietrasante likewise several veins exist.

Of the three establishments already mentioned as belonging to the Government that of Follonica is the most important. It contains four blast furnaces, three puddling furnaces, one reverbatory furnace, one so-called "Cotese" furnace, and one "Bergamasco" furnace.

The activity of this and the other two establishments is checked by the deleterious influence of the climate, it being necessary to suspend the works during four or five months between June and November, on account of the prevalence of malaria.

There is besides one blast furnace belonging to a private individual, which produces from 16,000 to 20,000 quintals yearly.

The cost of the ore delivered at the works comes to about 1 franc per quintal, and the total cost of production per quintal of cast iron—including expenses for repairs and management, and interest of capital—amounts to 9 francs 83 centimes.

The average yearly production of pig-iron is about 110,000 quintals. Charcoal is exclusively employed in smelting.

The process of conversion into maleable iron is carried on at the government works above-mentioned, and likewise in various private establishments in Tuscany, one at Pescia, two at Colle di Val d'Elsa, sixteen in the valleys near Pistora, and some others elsewhere.

Three methods are in use :—

1. The old Bergamo method with open hearths.
2. That called " Contese."
3. Puddling.

The old method, which was generally followed in Tuscany until the year 1859, required an immense consumption of fuel—more than 3 quintals of charcoal for 1 of bar iron, By the introduction of the second method a considerable saving was effected. The iron obtained by it has great maleability and softness, and is on that account very suitable for the manufacture of wire, for which purpose it is commonly mixed with about 10 per cent. of Scotch iron.

The puddling system, with the use of lignite, was introduced in 1860.

The manufacture of steel has been occasionally attempted but hitherto without much success.

On the whole it may be said that in spite of many natural advantages the iron industry in Tuscany is in a very backward state, which is perhaps attributable to the influence of the protective system which until a few years ago excluded all foreign competition and rendered the native manufacturers negligent and apathetic.

Calabria.—The only iron mine now worked is that of Pazzano on Monte Stella, at a distance of about seven miles from the sea coast near Monosterace. The ore it contains is a hydrated peroxide, yielding from 44 to 48 per cent. of iron. The average quantity extracted annually does not exceed 34,000 quintals.

This mine and the ironworks of Ferdinandea and Mongiana, which it supplies, are the property of the State and are managed directly by the Government.

From 12,000 to 15,000 quintals of cast iron have been produced annually, of which 2,000 quintals used in the cannon foundries at Naples, 6,000 cast into projectiles, 2,000 employed in various castings, and about 2,000 refined on the spot at Mongiana.

Charcoal is the only fuel used, and owing to the defective construction and bad management of the furnaces its consumption is enormous.

The cost of ore, fuel, flux, labour and repairs for every quintal of iron obtained is reckoned at 11 francs 20 centimes at Mongiana, and 7 francs 70 centimes at Ferdinandea. To which items if interest of capital and general expenses be added the total cost will amount to 17 francs 20 centimes at the former, and 13 francs 70 centimes at the latter establishment.

The comparatively small quantity of malleable iron produced is destined partly for the use of the arsenal at Naples and partly for the Government small arm manufactory at Mongiana, which employes about 200 persons, and turns out some 3,000 muskets and as many side arms annually.

There are no other iron districts of any present importance in Italy, though iron is found in many parts of the chain of the Apennines, and particularly in its central and southern portions, and in various places works of an insignificant character exist.

Attention has been drawn to the possibility of turning to account the deposits of black sand containing titaniferous oxide of iron, which are found on the shores of the Bays of Naples and Salerno. This sand contains as much as 20 per cent. of iron.

In the Island of Sardinia several veins of iron are found. The principal varieties of ore hitherto extracted are the compact micaceous oligist, brown hematite, and magnetic protoxide.

A French company ("Petin Gaudet") has obtained the concession of several mines some of which seem likely to become valuable. The average richness of the ore is over 65 per cent.

Miscellaneous Iron Manufactures.—No accurate information can be procured concerning them, and only a few general indications of the nature of the principal branches of industry under this head can be given.

Wire.—The quantity manufactured annually—from Lombard iron chiefly—is about 20,000 quintals. Prices are from 80 francs upwards. More than half of this amount is made in the neighbourhood of Lecco. Wire manufactories likewise exist at Omegna (Province of Novara), at Ponte (Ivrea), and at Tivoli.

Agricultural implements, mechanics' tools, &c., are made principally in Lombardy and in the country about Pistoia.

Nailmaking is carried on very extensively in Sigaria, in the environs of Lecco, and in the Brescian valleys. The common nails made in the Lecco district are sold at 65 francs, though they cannot be made for less than 60 francs the quintal.

The knives, razors, and scissors of Brescia, Campobasso, Pistoia, and Spoleto have a high reputation.

Iron bedsteads and other articles of furniture, as well as excellent locks and safes, are made in several places—as Genoa, Turin, Bologna, Ancona, Palermo, &c.

The number of establishments for making machinery is set down at 70; but very few of them have any real importance—only ten being capable of employing upwards of 250 persons, and two (Sampierdarena, near Genoa, and Pietrassa, near Naples) from 700 to 1,000 each.

Wages are generally from 2 francs 50 centimes to 3 francs 20 centimes a day, and in some establishments a skilful artizan may earn as much as 5 francs by piecework.

The raw material used is almost wholly of foreign origin—Scotch pig iron, ordinary bar from Wales, Staffordshire and Yorkshire bar and sheet iron of superior quality, and coal and coke from Newcastle. A certain quantity of pig and bar iron comes also from France and Belgium.

The number of persons occupied in mines and iron works of all kinds is stated thus:—

In iron mines throughout the kingdom (not including Venetia	1,800
In iron works	3,500
In the manufacture of gun-barrels and side-arms, &c. ..	4,200
In the making of machinery	7,000

General Recapitulation.

The results of the preceding inquiry are the following:

1. In spite of the abundance of iron ore in Italy, the metallic production, being dependent on the supply of

charcoal, is at present limited to an amount of less than 300,000 quintals of cast iron. About one-seventh of this quantity is converted into castings of the first and second fusion, one-fifteenth is exported, and from the rest about 150,000 quintals of malleable iron, besides a few thousand quintals of steel, are obtained. The total value of these products may be reckoned at 10,000,000 francs; that of the articles manufactured with them at double that amount.

2. By employing proper means, it would be possible to increase the production of iron and steel of all kinds to 500,000 quintals, the greater part of which would be of the best quality, and its cost might be so reduced as to admit of competition with similar descriptions of foreign iron, even were the present import duties to be lowered or abolished.

3. With regard to the manufacture of machinery, mechanical implements, arms, &c., Italy is in a very backward state; but these branches of industry might, by improvements that could easily be effected, be capable of supplying the principal wants of the country.

In another part of the Report it was shown that for military, naval, and railway purposes the total annual supply of iron required would amount to about 950,000 quintals in manufactured articles, representing about 1,100,000 quintals of pig, bar, and sheet iron; of which latter quantity nearly one-fourth—294,000 quintals—would consist of iron of superior quality, the remainder being of an ordinary description, which it would always be necessary to obtain from abroad.

It appears, then, that Italian industry could supply almost twice the amount of superior iron above mentioned; the surplus being available either for general home consumption or for exportation.

In conclusion, the Report recommends the adoption of various measures for the encouragement of the iron trade. Some of them are of a purely local nature, and it may be sufficient to mention as follows those which have a general character:—

Reform and consolidation of the forest laws.

A law for the regulation of mines, on the principle of separating the right to the soil from that to the mines beneath it; the Government being empowered to grant the latter to any persons possessing the means of working them.

Extension of practical instruction in mining and metallurgy.

Reduction of import duties: on iron bars and sheets, thick, from 5 francs to 4 francs per quintal; on steel, in bars, from 12 francs to 10 francs; the duty on wrought steel being fixed at 15 francs.

The duty on machinery in general to be fixed at 4 francs.

Importation of materials free of duty to be granted to constructors of iron ships and marine engines.

Reduction of railway charges for carriage of ore, iron, and fuel.

Preference to be given to native industry in Governmental contracts.

Encouragement to be given for the creation of great establishments capable of supplying what is principally required for the army, navy, and railways.

The appointment of a permanent Commission for the study of all questions relating to the production of iron.

EDWARD HERRIES.

Spain.

Report by Mr. West, on the Commerce and Finance of Spain.

Madrid, January 1, 1867.

Report on Commerce.

The Manufacture and Consumption of Cotton in Spain.

The cotton industry in Spain was one which formerly attracted considerable capital, and seems at one time to have been in a prosperous condition. After the year 1830, when attention first began to be turned to native manufacture, that of cotton appears gradually to have increased. In that year the quantity of raw cotton imported into the port of Barcelona, was 6,000,000 of Spanish pounds. In the year 1834 the importation had increased to 7,000,000, and in 1840 to 18,000,000 Spanish pounds. From 1845 to 1849, notwithstanding financial difficulties and political troubles, the average importation rose to 25,000,000 of pounds. It was during this period that the principal cotton manufacturing establishments in Catalonia were first started. The most approved machinery was adopted, and the most modern improvements in the mode of production introduced. The importation of cotton at this period (1850) was over 34,000,000 lbs., nearly double that of the year 1840. The quality of the stuffs appears also to have greatly improved, and at the same time a sensible diminution in the prices is observable, as the following figures will show:—

	Spun cotton. lbs.	Cotton Twists. Per 2 ells.	Cotton Prints Per 2 ells.
	Reals vellon.	Reals vellon.	Reals vellon.
1830 ..	10·55	6·81	11·20
1840 ..	8·50	4·33	8·53
1849 ..	6	2·92	5·33
1850 ..	5	2·59	5·07
Less per cent. ..	52⅓	62	55⅗

The importations which had increased during the period from 1830 to 1840, in the proportion of 6,000,000 to 18,000,000 pounds, and from 1840 to 1850 in the proportion of 18,000,000 to 34,000 pounds, appear to have remained much the same from 1850 to 1854, as the following figures will show :

	Spanish lbs.
1850	34,225,000
1851	33,354,000
1852	35,145,000
1853	35,341,000
1854	36,865,000

The population of the country at this time did not exceed 15,000,000, and there was probably less disposable capital in it for manufacturing purposes than at a subsequent period when the foreign commerce had nearly doubled, and much greater commercial activity existed; but yet, notwithstanding this, the consumption of cotton goods per head was greater then than in after years, 1859, 1860 and 1861 excepted. After the year 1854, the establishments in Catalonia continued to show increased activity, and they were enabled to sell at still lower prices. It is calculated that in the thirty years, from 1830 to 1860, the prices of cotton goods in Spain had fallen 64 per cent.

We have now arrived at the most flourishing period of the cotton industry of Spain, and it is pretended that Spanish stuffs obtained the preference in the market over all other foreign goods both as regards texture, colour and durability. However this may have been, it is certain that both the demand and the production were largely increasing, for during the year 1860, as much as 68,000,000 lbs. of cotton were worked up. The population had now increased to 15,660,000. Taking the average importation of cotton during the three years, 1859, 1860, 1861, at

68,000,000 lbs., and deducting 5 per cent. for waste, the real consumption may be set at 55,100,000 lbs., to which quantity must be added 1,200,000 lbs. of foreign goods imported. This will give a consumption of $3\frac{3}{5}$ lbs. per head of the then existing population. We now come to the years 1862, 1863 and 1864, when the importations into Catalonia were as follows:—

	lbs.
1862	29,239,000
1863	39,789,000
1864	29,038,000

An average consumption therefore, after deducting 5 per cent. for waste, of 31,022,000 lbs., which to the present population of 16,000,000, gives only $1\frac{9}{10}$ lbs. per head.*

The depressed condition of the native industry during the years 1865 and 1866, induced the then Spanish Government to turn its attention to the arguments urged by the opponents of the protective system in favour of a modified Tariff, and a Commission was appointed to examine into and revise it. There appeared at that time to be some hope that this step would lead to a result favourable to a proposition on the part of the Government for a reduction of the duties on cotton goods. The demand had by no means decreased, but as the native supply was totally unable to meet it, the contraband trade was called into requisition, and the Revenue began to suffer. The Commission, therefore, proposed a number of questions to be answered by those who were interested in the cotton trade, with a view of eliciting as far as possible the opinions of all parties upon its existing state. In taking this branch of industry as one of the subjects of my half-yearly report, I had hoped to have been able to give some information as to the result of the deliberations of the Commission upon the answers received to their questions, as well as the answers themselves, which cannot fail to be interesting. I find, however, that the labours of the Commisson have been much interrupted by supervening events, and that although a mass of information has been obtained, it has not as yet been put into shape, nor has any decision or even opinion been expressed upon it. I shall not fail to report fully on this subject as soon as I am enabled to obtain the necessary documents.

* The Spanish lb. is 0·9858 of the English lb.

Railway and Canal Capital.

The Ministry of Agriculture and Commerce has published the following statement of the amount of capital realized and subventions received by the different railway and canal companies in Spain for the 31st of December 1865 :—

	Railways.		Canals.	
	Reals vellon.	£	Reals vellon.	£
Nominal capital assigned by statutes	3,951,931,100	39,519,311	252,000,000	2,520,000
Capital represented by shares issued	2,798,607,444	27,986,074	180,000,000	1,800,000
Subvention assigned by laws of concession ...	1,736,464,613	17,364,646	20,000,000	200,000
Capital in hand from shares...	2,429,761,006	24,297,610	144,472,875	1,444,728
Subventions received...	1,141,831,979	11,448,319	20,000,000	200,000
Number of shares issued	3,131,631	...	...	26,000
Nominal value of the same	6,169,259,700	61,692,597	52,000,000	520,000
Number of shares taken up	2,816,385	...	26,000	260
Nominal value of the same	5,477,735,400	54,777,354	52,000,000	520,000
Net value received	1,779,197,757	27,791,977	46,567,000	465,670
Number of amortizable shares	49,405	...	...	...
Representing a capital of	101,108,200	...	...	...
Total amount of shares and subventions	6,275,083,345	62,750,833	211,040,251	2,110,402
Number of kilomètres in work	4,712	...	655	...
" " in construction	806	...	...	...
" " in projection	1,035	...	...	...
Net produce of traffic for 1865	292,745,030	2,927,450	4,766,064	476,606
Estimated amount necessary for the completion of all the lines	3,176,421,755	31,764,217	11,856,190	118,561

The following Table shows the difference in the receipts of the respective lines for the years 1865 and 1866 during the periods therein mentioned :—

Lines.	Net Amount Received.		
	Period.	1866.	1865.
		£	£
Madrid, Zaragosa, Alicante (1,252)	Jan. 1 to Apr. 29	274,529	243,577
North line (723)	Jan. 1 to May 6	212,357	210,453
Cordova, Seville (131) ..	Jan. 1 to Apr. 29	32,427	34,259
Tudela, Bilbao (250) ..	Jan. 1 to May 6	39,549	49,765
Barcelona, Zaragosa (388) ..	Jan. 1 to Apr. 29	93,651	80,935
Zaragosa, Pamplona (231) .	Id.	29,182	68,915
Isabel II (107)	Jan. 1 to June 30	141,543	185,204
Almansa, Val, Tarragona (221)	Id.	149,203	184,669
Barcelona, Tarragona (117) ..	Id.	72,333	46,954
Langrio, Gijon (39) . ..	Id. .. .	55,151	56,105
Sevilla, Jerez, Cadiz (160) ..	Jan. 1 to Apr. 22	47,998	53,862

The financial condition and prospects of the Spanish lines are by no means encouraging; but it is a matter of

vital importance that they should be kept in working order, for the future development of the internal resources of the country depends upon them.

Although the beneficial effects of increased communication, both internal and external, have not been so manifest in Spain as in other countries, yet it is reasonable to hope that sooner or later they will become so, and that the energies of the country will be stimulated by contact with foreign nations.

The extension of railway communication in the interior of the country is especially necessary for the further development of its mineral productions, which ought to form a most important source of wealth.

With reference to some previous statistics for 1863 relating to them, I am now enabled to give in a more concise form a full and correct statement of the mineral production during the same year:—

	Metrical Quintals.	English Measeur.
		Tons.
Iron	2,226,761	222,676
Lead	2,695,989	269,598
Silver lead	403,395	40,339
Silver	30,616	3,061
Copper	2,456,371	245,637
Tin	611	61
Zinc	481,242	48,124
Quicksilver	168,624	16,862
Cobalt	185	18
Antimony	850	85
Manganese	148,600	14,860
Soda	80,899	8,089
Alum	76,433	7,643
Sulphur	119,819	11,981
Coal	4,013,009	401,300
Lignite	503,025	50,302
Asphaltum	8,939	893

This produce is divided among the different provinces as follows:—

Iron.—Almeria, Guipúzcoa, Leon, Logroño, Malaga, Murcia, Novarra, Oviedo, Santander (29,698 tons), Sevilla, Toledo, Vizcaya.

Lead.—Almeria, Granada, Jaen, and Murcia; the last producing over 2,000,000 metrical quintals.

Silver Lead.—Almeria and Murcia.

Silver.—Guadaljara.

Copper.—Huelva and Sevilla.

Tin.—Orense, Pontevedra, and Zamora.
Zinc.—Almeria, Santander (34,119 tons).
Quicksilver.—Ciudad, Real, Oviedo.
Cobalt.—Oviedo.
Antimony.—Oviedo.
Manganese.—Huelva.
Soda.—Burgos, Madrid.
Alum.—Murcia.
Sulphur.—Murcia.
Coal.—Burgos, Cordova, Gerona, Leon, Oviedo (307,396 tons), Palencia, Sevilla.
Lignite.—Alava, Alicante, Balearic Isles, Barcelona, Barcelona, Gerona, Guipuzcoa, Santander (16,425 tons).
Asphaltum.—Alava and Soria.

Statistics for the same year show the following number of furnaces and machines :—

	In Work.	Not in Work.
Machines—		
Hydraulic	317	62
Steam	118	30
Force .. .. horse-power	2,554	686
For Iron and Steel—		
Blast furnaces	39	15
Reverberating furnaces for puddling or smelting by gas	136	19
Refining	74	7
Forges	243	26
For Lead—		
Scotch furnaces or "slag hearths" for smelting	289	130
Reverberating	113	34
Refining	5	1
For Silver—		
Smelting furnaces after cupel process ..	2	—
Pattinson's crystallizing pots	42	35
Amalgamation casks	52	29
For Copper—		
Reverberating furnaces as used at Swansea ..	18	—
Cupel furnaces on the German principle ..	16	—
Scotch furnaces	26	—
For Zinc—		
Reverberating	9	18
For Tin—		
Scotch furnaces	2	1
For Quicksilver—		
Distillation furnaces	27	1
Other Metals—		
Distillation furnaces	39	15
Roasting furnaces	197	3
Number of establishments	372	117

The number of mines was 1,594, under a superficies of 347,391,858 square metres. There were 31,931 operatives, and 64 engines of 1,685 horse-power in all. Of this number of mines, 1,533 were worked employing 31,624 operatives and 60 steam-engines (1,583 horse-power).

The Coasting Trade.

The Coasting Trade Returns for the year 1864, which have just been published, show a diminution over the previous year in the cargoes entered of 47,728 quintales metricos (4,772 tons), and 68,188,924 reals value (681,889*l.*); and in the cargoes cleared of 383,523 quintales metricos (38,352 tons), and 115,976,980 reals value (1,159,769*l.*); forming a total diminution of 431,251 quintales (43,125 tons) cargo, and 184,165,904 reals value (1,841,659*l.*).

Nearly all the principal ports show a diminution in value, as will be seen by the following Table, with the exception of Almeria, San Sebastian, Valencia, and Teneriffe.

Increase over 1863.

Ports.	Tons.	Value.	Ports.	Tons.	Value.
		£			£
Almeria ..	—	60,904	San Sebastian .	—	10,701
Barcelona ..	33,464	—	Teneriffe ..	3,198	46,848
Bilbao ..	19,061	—	Seville ..	3,828	—
Carthagena ..	4,970	—	Valencia ..	—	74,474
Gijon ..	1,044	—			

Decrease over 1863.

Ports.	Tons.	Value.	Ports.	Tons.	Value.
		£			£
Alicante ..	4,912	322,991	Malaga ..	11,967	27,829
Almeria ..	6,518	—	Palma .	3,291	97,571
Barcelona ..	—	66,900	Rivadeo ..	1,717	50,078
Bilbao ..	—	40,086	San Sebastian .	48	—
Cadiz ..	10,342	468,459	Santander ..	37,742	424,039
Corunna ..	3,096	92,766	Seville ..	4,447	79,568
Carthagena ..	—	43,788	Tarragona .	—	157,473
Gijon ..	—	167,080	Valencia ..	421	—
Huelva ..	5,240	50,056	Vigo ..	2,412	34,631

Navigation.

The following are the Navigation Returns :—

	Ships.	Tons.	Crew.
Entered—			
Laden	42,581	2,388,157	325 935
Ballast	14,508	574,209	90,644
Total Entered ..	57,089	2,962,366	416,579
Cleared—			
Laden	44,814	2,683,565	343,023
Ballast	11,542	412,754	70.904
Total Cleared ..	56,356	3,096,419	413.927
Total Laden .. .	87,395	5,071,722	668,958
Total Ballast.. ..	26,050	986,963	161,548
Total Entered and Cleared ..	113,445	6,058,685	830,506

Compared with the Returns of the previous year there is an increase in tonnage of vessels entered of 62,107 tons against a decrease in number of ships of 1,581, and 13,832 seamen; and an increase in vessels cleared of 328,855 tons against a decrease of 2,715 vessels and 9,254 seamen; showing, therefore, a total increase of 390,962 tons against a total decrease of 4,296 vessels and 23,086 seamen.

The coasting trade is carried on in Spanish bottoms, and the decrease of it in value is only another proof of the inefficiency of monopoly to maintain it.

As regards general navigation, the increase in tonnage and decrease in the number of vessels and seamen will be remarked—a fact only to be accounted for by the increased size of vessels in general, and the necessity, apparently, of the same number of hands no longer being required for navigating.

A revised Tariff for the Island of Cuba will come into operation on and after the 1st of July next, as well as a revised scale of navigation and port dues for shipping entering and clearing the ports of that island. These charges will be as follows :—

1. Every foreign ship which enters laden and clears with cargo shall pay for every ton discharged according to her burden 4 escudos 700 mils; every Spanish ship 2 escu-
.00 mils.

2. Every foreign ship which enters laden and clears in ballast, for every ton of measurement according to her burden, 4 escudos 600 mills; Spanish ships 2 escudos 600 mils.

3. Every foreign ship which enters in ballast and clears laden, for every ton burden, 4 escudos; Spanish ships 2 escudos.

4. Every foreign ship which enters with a cargo of coals, for each ton, 1 escudo; Spanish ships 1 escudo.

Foreign ships laden with coal alone but in less proportion to her measurement, for every ton occupied, 1 escudo; for every ton not occupied, 3 escudos.

Spanish ships in the like case, for every ton occupied, 3 escudos; and for every ton not occupied, 1 escudo 240 mils.

Foreign ships importing coal in less proportion to measurement and carrying other merchandize, for every ton occupied by coals, 2 escudos 700 mils; for every other ton, 4 escudos 700 mils.

Spanish ships, for every ton occupied by coals, 1 escudo 460 mils; for every other ton, 2 escudos 700 mils.

5. Every foreign ship laden with medicinal honey ("miel do purga"), for every ton burden, 1 escudo; Spanish ships, 740 mils.

6. Every foreign ship entering and clearing with native produce only, for every ton of cargo, 4 escudos; for each ton empty, 100 mils.

Spanish, per ton of cargo, 2 escudos; per ton empty, 100 mils.

7. Every foreign ship which enters and clears in ballast, for every ton burden, 100 mils; Spanish ships, 100 mils.

8. Steamers making periodical voyages to the Island of Cuba, not importing or exporting more than 6 tons of cargo and carrying correspondence, 100 mils.

9. Steamers, under similar circumstances, but carrying more than 6 tons of cargo, for every ton, 3 escudos 200 mils; Spanish steamers, 1 escudo 250 mils.

11. Spanish postal steamers, 1 escudo 250 mils.

12. Steamers arriving and not coming under the heads 8, 9, and 10, will be charged according to the port they come from and flag they carry, excluding the tonnage occupied by coals and machinery.

Though supposed to be an improvement on the existing system of charging tonnage dues, so complicated

does it seem, that it is scarcely possible that either foreign or Spanish ships trading with the island can reap any benefit from it.

(Signed) L. S. SACKVILLE WEST.

Report on Finance.

Madrid, January 15, 1867.

The Budget for the financial year 1866-67, as prepared by the present Spanish Government is fixed as follows :—

ORDINARY.

	Escudos.	£
Income	219,147,729	21,914,772
Expenditure	214,114,525	21,411,451
Surplus ..	5,023,204	503,321

EXTRAORDINARY.

	Escudos.	£
Expenditure	51,504,635	5.150,463
Income	44,601,331	4,460,133
Deficit ..	6.903,304	690,330

which deficit is to be provided for by the Treasury :

1. By the gradual diminution of public salaries, and—

2. By the economics which it is hoped may be effected in the Government departments.

The amount derived from the respective sources of revenue is divided as follows :—

	£
Direct taxes	5,635,500
Indirect taxes, including the Customs, octroi, &c. ..	5,412,184
Stamp duties	8,705,691
State property	773,772
Colonial revenues	1,227,625
Treasury profits	160,000
	21,914,772

The different items of expenditure, are as follows ;—

	£
Civil list	458,500
Public debt	4,739,922
Judicial charges	151,224
State charges	1,602,252
Collegiate bodies	31,773
Government Departments	14,427,780
	21,411,451

This statement, compared with that for the year 1865-66, shows a diminution of revenue, amounting to 8,092,484 escudos, or 809,247*l.* viz.:—

	£
Direct taxes	36,750
Indirect taxes	131,215
Stamp duties	346,908
State property	294,374
	809,247

To counterbalance this, however, the Colonial revenues from Habana, Puerto Rico, and the Filipinas, are set at an increase of 8,541,880 escudos (854,188*l.*), so that there will be an increase of revenue over the year 1865-66, of 449,410 escudos (44,911*l.*). The expenditure is calculated at 4,381,016 escudos (438,108*l.*), less than that for 1865-66, arising from an excess in certain items of 3,631,083 escudos (363,108*l.*), against a decrease in others of 8,012,099 escudos (801,909*l.*). The principal heads of increased expenditure are—

	Escudos.	£
Public debt	1,577,097	157,709
Passive State charges ..	289.604	28,960
Commercial Departments ..	219,830	21,983
Public works	410,280	41,028
Collecting taxes ..	1,075 112	107,511

The principal savings are to be effected in the following manner:—

	Escudos.	£
Civil list	350,000	35,000
Foreign Office	111,112	11,111
Grace and Justice	104,583	10,458
War Office	1,373,336	137,333
Army estimates	100,000	10,000
Navy Department	1,746,756	174,675
Home Office	158,416	15,841
Public Works	350,100	35,010
Finance	2.826,685	282,668

It will be seen from the above statement that comparison is made with the Budget of 1865-66, and that no mention is made of that for 1866-67 prepared and presented to the Cortes by the last Ministry, and a summary statement of which was contained in my financial report of the 1st March of last year. This fact is worthy of remark because the statement of the then Minister of Finance was accompanied by an elaborate explanation of the difficulties under which Spanish Finance was then labouring, and the measures which were proposed had for object to effect a speedy and durable amelioration which would enable the Treasury to meet many and heavy obligations.

The framers of the present Budget do not seem to be so sanguine because they estimate the Revenue at 21,914,772*l.* the previous estimate being 22,195,275*l.*, while the savings to be effected are considerably less.

The following Table shows the capital and interest of the Public Debt for 1866-67.

Denomination.	Capital.	Per cent.	Interest.
Consolidated Debt—	Reals vellon.		Reals vellon.
United States, 1834	12,000,000	5	600,000
3 per cents. Foreign	1,050,509,300	3	31,515,280
3 per cents. Interior	5,543,615,000	3	166,308,450
Scrip at 3 per cent. to Corporations	1,717,334,000	3	51,520,020
Ditto to Confraternities ..	33,000,000	3	990,000
	8,356,458,300		250,933,750
Deferred—			
Deferred Foreign	2,298,240,000	2½	57,456,600
Ditto Interior	2,660,353,000	2½	68,544,500
	4,958,593,000		126,000,000
Amortizable—			
Public Road shares	330,000,000	—	8,385,700
Railway shares	77,030,000	—	4,621,800
Public Work shares	65,316,000	—	3,918,960
State Railway obligations ..	1,034,000,000	—	61,335,600
	1,506,346,000		78,262,060
Total Consolidated ..	8,356,451,300	—	250,933,750
Total Deferred	4,958,593,000	—	126,000,000
Total Amortizable ..	1,506,346,000	—	78,263,060
Total	14,821,397,300	—	455,195,810
	£148,213,973		£4,551,958

To this amount must be added a capital 109,750,790 reals vellon (1,097,507*l.*), bearing an interest of 6,792,064 reals vellon (67,920*l.*), on account of Treasury bills and floating debt, and shares which it will be necessary to issue for railways and public works.

I do not find in this statement any mention made of the amortizable debt, created by the Law of 1st August, 1851, and which figured in a statement of the Debt for the 1st March, 1865, as a capital of 1,238,710,781 reals vellon (12,387,107*l.*), and English claims appear totally ignored. It is unnecessary to repeat the remarks upon the financial condition and public credit of this country, which I had occasion to make in my Report of the 1st March of last year, and which apply as much now as at that time.

With regard to the actual condition of the revenue it would seem from the monthly returns which are published from time to time that there is an increase in some branches and a decrease in others, but it is almost impossible to form an opinion on this subject, on account of the uncertain nature of these returns, and the power lately obtained by the Government of raising portions of the revenue by anticipation.

The following is the last Return which compares the revenue collected during the month of January last, with that during January 1866.

Revenue from.	1867.	1866.
	£	£
Registration charges	32,193	34,662
Customs	149,552	157,229
Sanitary dues	4,144	2,007
Octroi	91,452	87,784
Stamp dues—		
Paper	60,150	57,489
Stamps	46,382	45,284
Tobacco	291,440	808,600
Salt	121,557	122,464
Lottery	122,365	133,683

From which it will be seen that there is an increase under the heads sanitary dues, octroi, and stamps, and a considerable decrease under those registration charges, customs, tobacco, salt, and the lottery.

L. S. SACKVILLE WEST.